DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 21 Section 1 January 26, 1927.

FARM GROUPS CONFER The press to-day reports that in an effort to agree on a general legislative program, the heads of three farm organizations--the National Grange, the American Farm Bureau Federation, and the National Farmer's Union--held a conference at Washington yesterday. Later in a joint statement those who participated said that "more progress was made than has heretofore been evident after years of effort." Those who conferred were Louis J. Tabor, master of the Grange; S.H.Thompson, president of the Farm Bureau Federation, and Charles S. Barrett, president of the Farmer's Union. The legislative representatives of the three organizations here also took part in the discussion. In their statement the conferees said they were seeking to get together on a program for the remainder of this session of Congress as well as for the next, and they announced that a similar conference would be held next fall.

GAME LEGISLATION The press to-day reports that Dr. E. W. Nelson, Chief, Bureau of Biological Survey, before the Senate agricultural committee yesterday, favored restricting the slaughter of game birds by shortening the season, instead of limiting bags, and told the committee that since prohibition "bootlegging" of game had increased largely.

RADIO BILL The press to-day reports that an agreement on the remaining controversial provision of the radio control bill--the preamble defining the national policy governing the use of the air for broadcasting purposes--was reached yesterday by the Senate and House conferees, and their final report probably will be submitted to the two Houses on Thursday.

BUSINESS MEN'S AGRICULTURAL COMMISSION A dispatch to-day from Princeton, N.J., says: "A leave of absence has been granted to Professor Frank D. Graham of the Department of Economics at Princeton University to act as economic adviser to the Business Men's Commission on Agriculture...The commission was recently appointed jointly by the National Industrial Conference Board and the United States Chamber of Commerce. Doctor Graham has been adviser to the commission since the middle of December, and hearings have been held in New York City. He will leave next month to devote his entire time to the commission, which is seeking means to restore the balance between agriculture and the other more prosperous industries. The commission, headed by Charles Nagel, will hold hearings in agricultural districts throughout the country."

EGYPTIAN COTTON CONGRESS A Cairo dispatch to the press to-day states that the International Cotton Congress was opened yesterday in Cairo at what is regarded there as a crucial moment in the history of the Egyptian cotton industry.

Section 2

Building Situation

In an editorial on the building situation as presented by S.W.Straus in a recent statement (referred to in Daily Digest for Jan. 21) The Wall Street Journal for January 24 says: "Few more interesting demonstrations have been given of the new readiness of all business to examine itself for weak spots and to discuss its condition in public than the reception accorded the 'warning' from S.W.Straus of a possible overconstruction of certain types of building. About the least favorable comment upon it from informed quarters has been that it was 'somewhat premature and perhaps unnecessary.' From that guarded dissent the comments vary all the way to whole-hearted agreement. Twenty years ago a similarly frank avowal from a business leader of his concern over conditions and prospects in his own field would have been regarded by many of his colleagues as something akin to treason. To-day it is taken up for serious consideration on its merits, without any hampering fear of psychological disaster to follow. With the building industry in such a state of mind the opinion of a veteran of realty finance can have only wholesome corrective effects if correction is needed; if it is in fact premature or unnecessary it can at least do no harm....With a single notable exception, the comments upon the Straus pronouncement from qualified sources agree with its principal contention, that the time has arrived for a more severe discrimination among the ambitious apartment, hotel and office building projects offered by real estate operators in a majority of the larger cities. No one proposes hasty or ill-considered curtailment of all building activities. Indeed, the question is not so much whether building has already been overdone, but rather whether it will not soon reach that condition if the pace of the past two years is continued without reference to immediate demand and in happy-go-lucky reliance upon Dame Fortune...."

Congressional Legislation

An Associated Press dispatch January 24 says: "Most of the major problems which faced the Sixty-ninth Congress two years ago will be passed along to the Seventieth Congress, which begins its first regular session next December. These include farm relief, disposition of Muscle Shoals, development of the Colorado River, strengthening of the prohibition law, return of alien property, coal control legislation, railroad consolidation and ratification of the French debt. Radio and branch banking legislation still are in the balance, but those in charge of these measures hope to get them through before this Congress expires by constitutional limitation at noon March 4. Tax reduction proposals....also are doomed, although the Democrats of the House will make a final effort to start in motion the Garner measure to lop off $335,000,000 from the annual tax burden.... Beyond passage of the annual appropriation bills and the $71,000,000 rivers and harbors bill, this Congress will have accomplished very little at this, its final and short session....."

Cotton Growers Ship Cream

An editorial in The Southern Ruralist for January 15 says: "The weekly cream check is now helping more than 200 cotton growers in Fayette County, Tenn., in their efforts to produce cotton as a surplus crop. Fayette County is a typical cotton county, with a large Negro population, and these cream checks are a God-send to those who get them, as it permits them to pay cash for groceries and living expenses. ...No effort has been made to reduce cotton acreage in order to keep cows. In fact, most of the dairymen make more cotton than the all-cotton folks do....The cows being used are the best obtainable locally,

mostly grade Jerseys.....As an example of what one Fayette County community is doing, the figures from the Somerville shipping point may be of interest. Expressed in dollars and cents the cream business has amounted to the following sums for the past few years: 1923, $25,000.00; 1924, $30,000.00; 1925, $25,000.00; and 1926, $22,500.00. A very careful check-up shows that the volume has varied but little during the past four years. In addition to the cream itself, a good many hogs and calves have been raised on skim-milk, which adds quite a bit to the total value of the dairy business, and thereby helps make cotton a surplus crop...."

Cotton Uses

In an editorial on new uses for cotton, Farm News, (Dallas, Tex.) for January 18 says:"....Cotton bagging can be carried far beyond cotton itself. The International Cement Corporation has found economy as well as utility in substituting cotton for jute, even where the former costs more. Commerce and Finance points out that if the huge food industry can be converted to cotton bag packing as a whole, cotton consumption will show a marked increase. The National Wholesale Grocers' Association favors the move and has addressed a resolution to the Interstate Commerce Commission asking investigation of possible rates or tariffs discriminating against cotton containers, and asking equalization if any exist....The outstanding feature of this summary of potential increased consumption is that it represents actual utility. Cotton bagging has every right to stand on its own merits....."

Eight Hour Day

An editorial in The Nebraska Farmer for January 22 says: "It is as we anticipated. Our proposal for an eight hour day on the farm has brought forth a good many questions. We did not propose this as something that would come about at once, or be wholly popular. Our purpose was to stimulate thought upon the things that are delaying agricultural prosperity. In order that this, or any other subject, may be considered dispassionately and logically, it is necessary to establish a sound premise. The premise in this case is that we have a protective tariff, and industry with the eight hour day has taken advantage of it by adjusting production to profitable demand. Upon these facts, we are willing to answer all questions about the eight hour day on the farm...."

Iowa Farmers

An editorial in Wallaces' Farmer for January 21 says: "There are several farmers in Iowa this year who will have net incomes above $10,000. The 80,000 Iowa farmers who take Wallaces' Farmer probably have a net income on the average close to $2,000. On the other hand, there are hundreds of good farmers who have been cleaned out this past year. Some of these are actually better farmers and more intelligent men than some of those who benefited from a $10,000 income this past year....The Iowa farming situation is by no means desperate. In spite of the bank failures and mortgage foreclosures, the situation is better now than it was four years ago. During the next five years, Iowa farmers are certain to get a somewhat larger income than they did during the past five years. They will not, however, get their fair share of the national income unless some form of export legislation is passed....."

Milk Legislation

The New York Times of January 25 says: "Representative Taber of New York, co-author of the Lenroot-Taber bill, which proposes Federal regulation of milk importations, charged January 24 that Dr. Louis I. Harris, Health Commissioner of New York City, had taken an inconsistent attitude toward the measure. Mr. Taber declared he was surprised at statements made by Representative Bloom that Doctor Harris was opposed to the bill, as the Health Commissioner had, after its passage by the House, indorsed it in a telegram received by Senator Copeland. 'In part, this bill originated as a result of the complaints of Commissioner Harris about a year ago, when he was demanding indictment for those who were unlawfully "bootlegging" milk across the Canadian border,' said Mr. Taber. 'In part, it originated because of the unfair competition which the sale of impure, uninspected milk and cream was creating for American dairy farmers. Now Commissioner Harris takes the position that the enforcement of my bill would create a milk famine in the City of New York....."

Motor Car Industry

An editorial in The Wall Street Journal for January 24 says: "There were 3,765,048 passenger cars and 494,377 motor trucks produced in the United States in 1926. In the preceding year there were 3,696,490 cars and 478,396 trucks produced. Including the Canadian production, largely by American capital, the 1926 output totaled 4,461,653 vehicles. Right in these few figures is one of the most important chapters in the story of American progress. In wholesale value the 1926 output should equal $3,000,000,000. Tires and parts for replacement would amount to $1,000,000,000. Take a look at an ordinary car and then multiply it by 4,000,000. Small imagination shows this industry as an enormous consumer of iron and steel, lumber, rubber, leather, cotton, copper, plate glass, paint and varnish, products of the farm, forest, mine and factory. Then, estimating the number of people employed in this and allied lines at about 3,500,000, its magnitude as a maker of wages becomes apparent. Ramifications of the motor business seem beyond counting. Aside from supplying the materials mentioned, there is the mining of coal necessary for power, the transportation of raw materials. There is the matter of good roads now aggregating about a billion dollars a year, creating a great demand for labor, roadmaking machinery, 20 per cent of the country's cement and half its asphalt output. Follow this even to the traffic flashlights which auto travel has made necessary. Then there is the matter of fuel and lubricating oil. It is expected that the official figures will show that in the past year 12,000,000,000 gallons of gasoline were produced, and motor vehicles are the largest consumers. It is probable also that they consumed half a billion gallons of motor oil. Our civilization is so organized that to-day we are just as dependent upon petroleum as upon iron and steel....And the motor car has passed from the luxury to the utility class. There are 4,800,000 farm registrations, but very few farmers would say their vehicles were for pleasure exclusively. The farm tractors also are becoming an important factor in agricultural life. The motor truck is benefiting farmer and urbanite alike, while the motor bus is growing in favor for short haul passenger service. When we look at the foreign trade and note that in 1926 exports of automobiles amounted to about $550,000,000 and gasoline about $250,000,000 we begin to see what the automobile means in national well being."

Water Storage The Oregon Farmer for January 6 states that 73,000 acre feet of water for use on irrigated land under the Umatilla project will be stored by the McKay dam, seven miles South of Pendleton, which was completed recently after three years' work. The dam is 2,600 feet long and 160 feet high. It was finished ahead of time and at less than the estimated cost, or slightly under $2,500,000. Its use will more than double storage capacity for irrigation on the West end.

Section 3

MARKET QUOTATIONS

Farm Products Jan. 25: Livestock quotations at Chicago. Hogs, top, $12.25. Beef steers choice $11.50 to $12.75, good $9.90 to $12.25, medium $8.40 to $10, common $6.75 to $8.40. Heifers, good and choice, $7 to $11, common and medium $5.75 to $8. Cows, good and choice $6.25 to $7.75, common and medium $5 to $6.25, low cutter and cutter $4.35 to $5. Vealers, medium to choice, $11.00 to $14.50, heavy calves, medium to choice, $6 to $8.50, stocker and feeder steers, common to choice, $6.25 to $8.75. Fat lambs, medium to choice $11.50 to $13.35, yearling wethers, medium to choice, $9.50 to $11.50, fat ewes, common to choice, $5.75 to $8, feeding lambs, medium to choice, $11.50 to $13.10. New York quotations on western dressed good grade meats. Steer beef $14.50 to $16.50, veal $20 to $23, lamb $22 to $25, mutton $14 to $16, light pork loins $23 to $25, heavy loins $20 to $22.

Maine sacked Green Mountain potatoes $2.50-$3 per 100 pounds in eastern cities; bulk stock $1.95-$2 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.20 carlot sales in Chicago, $1.80-$1.90 f.o.b. Waupaca. New York and Midwestern yellow onions $2.75-$3.40 sacked per 100 pounds in city markets; $2.50-$3 f.o.b. New York Danish type cabbage $18-$25 bulk per ton in consuming centers; $14-$15 f.o.b. Rochester. Florida Wakefields $1.50-$2 per 1½ bushel hamper in New York City. New York Rhode Island Greening apples brought $3.50-$4.50 per barrel in leading markets. Eastern Staymans $2.25-$3.25. Michigan Jonathans $5-$5.50 in Chicago.

Average price of Middling spot cotton in 10 designated markets declined 5 points, closing at 12.98¢ per lb. March future contracts on the New York Cotton Exchange declined 9 points, closing at 13.37¢, and on the New Orleans Cotton Exchange they declined 11 points, closing at 13.35¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.44-$1.49. No.2 red winter Chicago $1.40; St.Louis $1.38; Kansas City $1.34. No.2 hard winter Kansas City $1.38. No.3 yellow corn Chicago 70 cents; St.Louis 74; Minneapolis 75; Kansas City 74. No.3 white oats Chicago 46 cents; St.Louis 45; Minneapolis 46; Kansas City 47.(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 25,	Jan. 24,	Jan. 25, 1926
20 Industrials	152.73	154.43	155.28
20 R.R. stocks	119.88	121.95	109.83

(Wall St. Jour., Jan. 26.)

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Vol. XXIV, No. 22 Section 1 January 27, 1927.

~~COTTON~~ Corn BORER BILL The Senate committee on agriculture yesterday submitted a favorable report on a bill appropriating $10,000,000 for the eradication of the corn borer, according to the press to-day.

FARM LEGISLATION The Associated Press to-day says: "Decision to call up farm relief legislation in the House immediately after disposal of the annual supply bills was reached yesterday by the rules committee. The exact date is dependent on progress to be made with three appropriation measures still to be acted on, but leaders regard it likely that they will be out of the way by the middle of next week. Chairman Haugen, of the House agricultural committee, will ask for ten hours' general debate, to be divided between proponents of the McNary-Haugen bill, which will be under discussion, and supporters of the Curtis-Crisp bill, which Representative Crisp plans to offer as a substitute."

MUSCLE SHOALS LEGISLATION The press to-day reports that in hope of reporting a bill for lease of Muscle Shoals to the House for possible action before adjournment, the military committee voted yesterday to close its hearings on the two bids before it next Monday. The decision, reached in executive session, followed earlier announcement by Chairman Snell of the rules committee that any bill receiving favorable committee action would be given preferred legislative status in the House. The committee will wind up at noon tomorrow its hearings on the offer of the Farmers' Federated Fertilizer Corporation and will devote the remainder of the week and two sessions next Monday to discussion of the bid of the American Cyanamid Company of New York.

EGYPTIAN COTTON CONGRESS An Associated Press dispatch to-day from Cairo states that King Fuad opened the international cotton conference at Cairo yesterday. Representatives of 17 nations were present, but no delegate from the United States. The report says: "Frederick Holroyd of England, president of the Federation of Master Cotton Spinners, said the 160 delegates present absorbed among them the bulk of Egyptian cotton, and they had come to Egypt to speak the truth about Egyptian cotton. Many faults, he contended, required correction, and the cotton men intended to correct them. He alluded to overwatering and other practices."

MADDEN ON TAXES The press to-day says: "Congress will not reduce taxes at this session, but next winter it will cut the rates sufficiently to insure a saving of at least $350,000,000 to the American taxpayers, according to the prediction made yesterday at the White House by Representative Madden, chairman of the House appropriations committee....Mr. Madden made his optimistic forecast after a long conference with the President, at which they discussed the general situation in the House respecting appropriations...."

Section 2

Bacon Co-operatives in Britain

L.F.Easterbrook, writing on British cooperative bacon factories in The Nineteenth Century for January, says: "As was prophesied by many at the beginning of the movement to create cooperative bacon factories after the war, they have turned out to be a failure, three out of the four post-war factories having closed down, and the fourth only existing with difficulty after enforced periods of no curing. The two pre-war factories, the Hertfordshire and Bedfordshire and the St.Edmundsbury--continue to run, but are far from attaining their maximum earning capacity. And yet there seems, superficially, such a scope for cooperative bacon-curing in England. The demand is here, and we can also produce bacon second to none for quality or price. Why has the movement so signally failed? The question is reviewed concisely and competently by the committee appointed by the National Farmers' Union to inquire into it....One difficulty with such committees is that, since they are appointed by members who are practically all farmers, it is usually the popular farmer rather than the astute business man who is elected....Here is the heart of the whole problem. How is agricultural cooperation to save the farmer money? The answer in this country has invariably been, 'By doing away with the middleman's profit and keeping it in the industry.' But it is precisely this kind of muddled thinking that has been the enemy of the movement and kept it back for so many years, and no branch of cooperation illustrates it better than the bacon industry. If such profits are being made by non-cooperative firms, why do so many of their shares stand so low, or why have the cooperative societies paid no better, and often worse, prices?...As it would be impossible to find any example of a mistake that has been left unmade in cooperative bacon production, there is no excuse for making any further errors under this head. We know we have the requisite market on our very doorstep, we know that our land and our farmers can grow the finest bacon in the world....Are our agriculturists so embarrassed with wealth that they can neglect this chance the gods have thrown in their laps? Are we, as a Nation, so prosperous that millions of pounds of money and millions of hours of employment may as well go abroad as stay at home? We know that these things are not so, but when we see such golden opportunities being left to rot for want of a little vision and a little enterprise it is rather difficult not to be a trifle impatient when farmers reiterate that 'all farming wants is to be let alone.'...."

Butter Scores

An editorial in The Farmer (St.Paul) for January 22 says: "The most significant achievement of the Land O' Lakes Creameries Association to date is found in the statement that 70 per cent of the butter made by the member creameries now scores high enough to merit the coveted association brand. One year ago the percentage of butter qualified for the association brand was but 51 per cent, and less than 40 per cent when the Land O' Lakes brand was first established in 1924. This constant improvement in quality of product, to our way of thinking, is the biggest thing the Land O' Lakes Association has done to date. Price premiums are worth while, but the best insurance for price premiums in the future must come through an improvement of quality.... Increasing consumption is a very important factor in the future of the butter business, a factor which dairy farmers should carefully consider The best way for northwestern dairy farmers to control American butter markets and withstand the competition from abroad is to improve the quality of the butter from our cooperative creameries. The most interesting feature of all of our numerous visits to Land O' Lakes

headquarters has been our inspection of its laboratories, where standardization work has been carried out. The testing of all shipments and the information furnished to member creameries has increased the quality of product....."

Cotton Production

An editorial in The Journal of Commerce for January 25 says: "While American farmers are being told to plant less cotton, producers in other parts of the world are being urged to 'grow more cotton,' on the assumption that they will be able to profit by filling the gaps left by American abstention. Advice, whether it be to plant or not to plant, does not, of course, greatly influence producers one way or another. Some will raise cotton year in and year out, because they are victims of inertia or of circumstance. Others will keep on growing cotton because it pays them on the whole to do so, both in good and in bad years. Again on the constantly shifting extensive margin of profitable cultivation there will always be people whose decisions will be directly influenced by market conditions, regardless of the advice bestowed upon them....It is argued by advocates of expansion that next year will see less cotton produced in the United States because 'the present price does not pay the cost of production.' It is also said that Empire cotton costs less to produce and will do well in competition with the American product. There are of course certain fallacies and unverified assumptions contained in such statements, cost being a very difficult term to define. Cotton growing is expanding in the United States as it happens and will continue to expand in the new, low cost areas of production in which growers can and do make profits at prevailing prices for cotton. Transport costs, expensive irrigation overhead charges on the other hand make cotton growing relatively expensive in many parts of the world where the labor outlay is negligible as compared with the United States. The very fact that Egypt is storing cotton with Government aid, that in various African colonies desperate efforts are being made to prevent natives from cutting crops by reducing rail and shipping charges, remitting taxes, etc., demonstrate the similarities of economic conditions and the differences of policy in Africa and America....."

Farm Land Values

An editorial in The Economist (Chicago) for January 22 says: "It may not be extremely comforting to farmers who paid high prices for their land to learn from real estate authorities that their prospects as owners are looking up, but it is of some importance to them if the deflation has been completed. From most sections of the country land dealers report no definite tendency in the market at present, but more sections report rising prices than declining. It is a matter of common knowledge that average farm value for the entire country is much below that of 1920; apparently reliable statistics put the present average at $76 an acre, compared with $108 seven years ago. Values are still slightly higher than in 1914, although the increase is nowhere near comparable with that in urban property. Average figures, of course, do not begin to reflect what has happened where the post-war inflation was at its worst. Figures given for Iowa represent the present average as $155 an acre, against $255 in 1920. If these figures are even approximately correct they throw a light on the fact that Iowa is the most vociferous complainant about the plight of the farmer. A western land dealer of 25 years' experience says that when the collapse in food prices came, Iowans generally refused to face the facts and long continued to bank on a return of war prices; that the rural populations of

Nebraska, the Dakotas and other mid-western regions, having less of accumulated resources to fall back upon than the older communities east of the Missouri River, were forced to 'take their medicine' promptly. They went through the major part of the unavoidable bankruptcies and began the rebuilding of their fortunes before Iowa was persuaded to accept the inevitable. Meanwhile, some large areas which had not gone through the land inflation process began to increase their crop production or were brought under the plow for the first time. In parts of New England the farm industry has been rehabilitated; in the Southwest thousands of acres of ranches have been turned into farms, with and without the aid of irrigation. Over-capitalization is the enemy of successful business, in farming as anywhere else."

Fertilizer Outlook

An editorial in The Fertilizer Review for January says: "The longer look ahead in the fertilizer industry is good. With Germany using 200 pounds of plant food per acre, Belgium 513 pounds, Holland 674 pounds, and even France and Italy 50 pounds, it is clear that the United States, which uses only 6.4 pounds per crop acre, can go only in one direction in the use of chemical plant foods--and that is forward. The shorter view, although not so good as the longer one, has encouraging as well as discouraging features. The really discouraging element is the situation of the cotton grower, who, for a crop of two and a half million bales greater than in 1925, is receiving close to half a billion dollars less for his 1926 production, when the decrease in value of cotton seed is added. This situation, though admittedly bad, has certain hopeful aspects which were absent in 1921-22 when cotton suffer its last severe depression. Then the cotton crop was less than 8,000,000 bales. The 1926 crop promises to total about 18,000,000 bales. Then hundreds of thousands of farmers had almost no cotton to sell. Now practically all farmers have had some cotton to sell despite the low price. Then food and feed production fell far shorter of supplying home needs than they have this season when such money as does come in from cotton, to a considerable extent at least, will be available for buying necessary supplies. Then the exchange situation with Europe was in a most deplorable condition, and industrial and financial depressions were rife everywhere. To-day Europe is a good customer for American raw materials....."

Milk Legislation

The New York Times of Jan. 26 reports: "Senator Copeland has been caught in a jam, according to gossip among Tammany members of Congress, over the differences between the Walker administration, as represented by Dr. Louis I. Harris, Health Commissioner of New York City, and organization members at Washington with respect to the Lenroot-Taber milk bill, which prohibits the importation of milk unless it complies with the standards to be set up by the Secretary of Agriculture. Doctor Harris holds the office occupied by Doctor Copeland before his election to the Senate....Senator Copeland said Jan. 25 he favored the Lenroot-Taber bill if amended in certain particulars. First, he said, he would insist upon an amendment providing for temporary permits until the machinery of inspection is set up; second, that permits to ship in milk be rescinded unless full compliance is yielded to the Federal standards prescribed, and, third, that the Secretary of Agriculture shall accept a certificate of the Health Department of a city as the equivalent of his inspection for standard. Representative Bloom wants the

Senate agriculture committee to reopen hearings. Doctor Harris believes, according to Mr. Bloom, that if the bill is modified to make Canadian milk products conform to New York City regulations it would accomplish good results. As it stands, Mr. Bloom contends, it would cut off large supplies from Canada and advance milk prices in New York City to a prohibitive figure."

Section 3

MARKET QUOTATIONS

Farm Products

Jan. 26: Livestock quotations at Chicago: Top price of hogs at $12.30.

Maine sacked Green Mountain potatoes $2.50-$2.95 per 100 pounds in eastern cities; bulk stock $1.90-$2 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.20 carlot sales in Chicago; $1.90-$1.95 f.o.b. Waupaca. New York Rhode Island Greening apples steady at $3.50-$4.50 per barrel in leading markets. Eastern Staymans $2-$3.25. Michigan Jonathans $5-$5.50 in Chicago. Midwestern yellow onions $2.50-$3.40 sacked per 100 pounds in city markets; $3 f.o.b. West Michigan points. New York Danish type cabbage $18-$28 bulk per ton in consuming centers; $14-$15 f.o.b. Rochester. Florida Wakefields $1.50-$2.25 per 1½ bushel hamper in a few cities.

Closing prices on 92 score butter: New York 48½¢; Chicago 48¢; Philadelphia 49¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets Jan. 25: Twins 24¾¢; Single Daisies 25½¢; Double Daisies 25¢; Young Americas 25½¢; Longhorns 26¼¢; Square Prints 26¼¢.

Average price of Middling spot cotton in 10 designated markets declined 18 points, closing at 12.80¢ per lb. March future contracts on the New York Cotton Exchange declined 18 points, closing at 13.19¢, and on the New Orleans Cotton Exchange they declined 16 points, closing at 13.19¢.

Grain prices quoted: No.2 red winter Chicago $1.41. St.Louis $1.39; Kansas City $1.35. No.3 red winter Chicago $1.38. No.2 hard winter Chicago $1.47; Kansas City $1.39. No.2 yellow corn St.Louis 75 cents. No. 3 yellow corn Chicago 76 cents. Kansas City 74. No.3 white corn Kansas City 73 cents. No.3 white oats Chicago 48 cents; St.Louis 46; Kansas City 47. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 26,	Jan. 25,	Jan. 26, 1926
20 Industrials	153.36	152.73	154.63
20 R.R. stocks	120.41	119.88	109.53

(Wall St. Jour., Jan. 27.)

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Vol. XXIV, No. 23 Section 1 January 28, 1927.

RADIO LEGISLATION The press to-day states that the conference report on the White-Dill radio control measure was submitted to the House yesterday and, it is expected, will be acted on Saturday. It will be brought up in the Senate early next week. The report says the measure comes as near meeting the radio situation as can be hoped for at this time, according to the view of the National Radio Coordinating Committee, the members of which include representatives of the radio manufacturers, newspaper publishers, radio broadcasters and organizations, and others interested in the regulation of broadcasting.

MILK RECORD An Associated Press dispatch from Brockton, Mass., to-day says: "A new milk producing world record was claimed at Brockton yesterday for Dutchland Tolethe Kolrain Bess, who has given 570 pounds of milk in the last seven days. Her milk averaged 4 per cent butterfat. The best previous record for a week was said to have been 543 pounds. The twenty-five-months-old cow is owned by the Dutchland Farms here."

COLORADO RIVER DAM The press to-day states that Secretary Hoover issued a statement yesterday urging the enactment of legislation for the construction of a dam in the Colorado River for flood control, water supply and other functions.

MCNARY-HAUGEN BILL An editorial on the McNary-Haugen bill in the Baltimore Sun to-day says: "Debate on the Haugen bill in the House of Representatives bears out the impression that if the bill passes it will be due to the fact that Congress is tired of hearing talk about agricultural relief and is ready to act in order to be rid of the matter and to placate the farmer. There is lamentable lack of information offered by advocates of the measure as to how it is going to function, belief on the part of many members that the equalization fee as applied to corn, wheat and hogs is unconstitutional, and widespread doubt as to the practicability of the scheme, assuming it to be theoretically sound. In the circumstances, there has not been large public interest in the discussion because there has been little apprehension that it would be acted upon at this session. Certainly the debate has brought out nothing new that would change views heretofore expressed as to the danger of creating the vast machinery the bill would necessitate and as to the unwisdom of making so radical a departure from traditional Government policies on a mere guess that some good may result....."

LONDON WOOL SALES A London dispatch to the press to-day states that at the wool sales in London yesterday 11,791 bales were offered, of which 10,500 were sold. There was a superior selection, which met with good general demand at unchanged prices. French buying showed an improvement and there were fewer withdrawals.

Section 2

Agricultural Situation

An editorial in The Country Gentleman for February says: "...Are conditions really as bad as they are painted? Is agriculture headed for disaster or is it making progress? Level-headed farmers and business men want to know. To obtain an answer to these questions The Country Gentleman asked the presidents of the several Federal Land Banks and Joint Stock Land Banks to discuss the farm situation with especial reference to the following points: Interest payments, mortgage foreclosures, farm-land prices, activity of the farm-land market, migration of farm population to the cities, and whether farmers are pessimistic or optimistic regarding the future. These bankers have a better opportunity to know conditions in the open country than almost any other group of men. They are in positions that should make them free from the influence of both politics and business. Replies were received from seven Federal Land Banks and from twenty-four Joint Stock Land Banks, covering all parts of the country except the Southeastern Atlantic seaboard States. A tabulation of the replies shows that conditions are far from uniform, either in any particular banking territory or throughout the Nation. The best reports come from the Pacific Coast States, some of the Intermountain States and from the north central and central eastern sections. The worst reports are from the Central States touching the Mississippi River. Without entering into details, the reports show that in all parts of the country interest payments have been met promptly. Delinquencies have been few and traceable in most cases to local crop failures. Four of the seven Federal Land Banks and fourteen of the twenty-four Joint Stock Banks report mortgage foreclosures as definitely decreasing. Only one bank reported an increase and that one operates in the region south of St. Louis. Fourteen of the Joint Stock Banks, covering the greater part of the country, state that the past year has shown increased activity in farm-land sales, with prices ranging from about prewar to 20 per cent above. Several replies indicate that no marked improvement may be expected, either in prices or in the volume of sales, until land taken on foreclosures by banks and mortgage companies has been disposed of to farm operators. This is the aftermath of the land boom and is most aggravated where speculation reached its highest peaks. Migration to the cities seems to be definitely ended. Only one bank, that at Des Moines, Iowa, reported migration increasing. All the others reported a decrease last year and several declared that a reverse movement had set in. As regards the farmers' state of mind, considerable improvement is indicated. Six of the Federal Banks noted an increase of optimism concerning the future. Among the Joint Stock Land Banks, on the other hand, sentiment seems about equally divided...."

American Prosperity

Stanley M. Bruce, Premier of Australia, is the subject of an article by L.V.Gordon in The American Review of Reviews for February. In the course of the article the author says: "He was just as original here as he was at the Imperial Conference. He said, in the house where Roosevelt was born, that he did not share the opinion that present American prosperity is due to the great war, but that it is highly probable that America would be more prosperous to-day if the war had never been fought. That dislocation of trade owing to the war has impoverished Europe, and even the United States is not as financially strong as she would have been had the stupendous cataclysm that started in 1914 never occurred. That is a new note for a statesman from another country to sound. No other statesman, either from the

Atlantic or the Pacific, coming to America since the war has said such an extraordinary thing....Of course, the same thing has been said by Americans. Herbert Hoover has made that fact crystal clear in one of his annual reports, but multiplied millions of English-speaking peoples outside of the United States have never read Herbert Hoover's views on the subject. How could they?...How could they read what the Secretary of the United States Department of Commerce thinks about the cause of the current prosperity in this country? But when one of their own kind, Prime Minister, implies that the war retarded rather than accelerated the prosperity of the United States, it is bound to have a wide reading and some leading minds are going to give pause at the statement."

French Foreign Trade

From January 1 to November 30, 1926 the total of France's imports from foreign countries, according to official figures transmitted to the Bankers Trust Company of New York by its French information service, aggregated 48,104 million francs as against 34,434 millions for the corresponding period of last year; while her exports to foreign countries totaled 45,900 million francs as against 35,167 millions for the first eleven months of 1925. The principal sources for imports to France during this period were the United States 7,092,020,000 francs, Great Britain 6,080,086,000 francs, Germany 4,437,270,000 francs, Belgium-Luxemburg 4,105,973,000 francs, Argentine 1,973,197,000 francs, Holland 1,640,774,000 francs and Brazil 1,467,647,000 francs. Exports to foreign countries during the first eleven months of the year totaled 45,900 million francs as against 35,167 millions for the same period in 1925. France's principal buyers were Great Britain 9,694,538,000 francs, Belgium-Luxemburg 8,704,944,000 francs, Germany 3,912,128,000 francs, the United States 3,517,252,000 francs, Switzerland 3,373,739,000 francs, Italy 2,441,356,000 francs, Spain 1,684,276,000 francs, Holland 1,650,819,000 francs and Argentine 1,093,213,000 francs.

"Master Farmers"

An editorial in Wallaces' Farmer for January 21 says:"...After sizing up the Master Farmers I reached the conclusion that in most cases they are born that way. They are put together just right so that they do things easily and well. They have an instinctive eye for the things which are going to pay. Perhaps the Master Farmers should not be given too much credit for being put together in such a way that good farming comes easy to them. But they do deserve credit decidedly for entering whole-heartedly into efforts to make their home community a better place to live in....It is harder to earn a Master Farmer medal than it is to get a diploma from college. It is almost impossible for a man under forty years of age to get one, because it takes at least ten years for a man to work out a rotation and to establish himself in the full confidence of his community. Two of the men who received medals this year have not even been to high school. Most of these men, however, have received in one way or another much more than the equivalent of an agricultural college education."

Southern Agriculture

The Wall Street Journal for January 26 contains a statement which says in part: "A southern reader proposes that farmers plant 60% of their land to cotton, 30% to feed crops and 10% in some cash crop that will not conflict with cotton and then asks what that crop shall be? 'The South' he says, 'can produce almost countless things, but what can we market under everyday conditions at a profit?' Judge

J.W.Fitzgerald, vice president of the Citizens National Bank of Tyler, Texas, and chairman of the agricultural committee of Smith County, gives his view of what to plant. The Smith County Committee has a ten-year agricultural program, and some of its most salient points Judge Fitzgerald quotes: 1--Every farm properly drained and terraced; 2--Soil conservation--soil building with legumes; 3--A 3-year crop rotation scheme on every farm. 4--Feed and food crops 40% of all cultivated acreage. 5--A home orchard and an all-year-round garden. 6--A minimum of 30 hens, a cow and a sow on every farm. 7--No scrub seed, no scrub stock, no scrub farming. 8--Liberal, sensible use of commercial fertilizer. 9--No farm dependent on cotton alone. The committee stresses to the farmer the necessity of all these things and the importance of work, work, work. It shows him that the average farmer has dropped into the habit of not working more than from five to seven months in a year, it then gets him to admit that he does not know of a man in town--banker, merchant, mechanic, laborer or professional man--who has succeeded by working half a year. It shows that the only two things which have increased in southern agriculture are the number of farm tenants and the acreage planted to cotton. Every other matter has decreased and now there are fewer cattle, hogs and poultry on the average southern farm."

Warehousing "Warehousing: An Industry Rejuvenated," is the title of an article by C.W.Steffler, in Commerce and Finance for January 26. In this the author says: "Our own manufacturers and merchants did not realize the possibilities, long dormant, of warehousing as a convenient and necessary link in the storage and distribution of commodities, until the catacylsmic innovations of mass production and hand-to-mouth buying forced their hand. Then, spurred on by the increased competition engendered through the changed conditions, they turned almost en masse to the only remedy in sight, and warehousing quickly emerged as a billion-dollar industry. To-day the merchandise warehouse is closely woven into the fabric of modern industry. Not only have its benefits already been far-reaching, but its importance in the scheme of things distributive is growing as if the old industry had undergone a Steinach operation."

Section 3

Department of Agriculture

1 In an editorial review of the Secretary's Annual Report, The World's Work for February says: "The Annual Report of the Secretary of Agriculture maintains that the condition of the farming industry has improved materially in the last year and that the net return on money invested in the agricultural industry was 4.6 per cent last year, as compared with 4 per cent the previous year, 3.1 per cent in 1922-23, and 0.6 per cent in the crop year of 1921. The industry has indeed come back a long way from recent ruinous years, but it must come back still more....Improved economic conditions alone have benefited the farmer in recent years, for he has failed in every effort to force through bills which would have provided subsidies of one kind or another, But if we should start on another cycle of wage increases the full recovery of the farm industry would be delayed, for high wages are reflected more in the cost of the farmers' tools and fertilizers than in the amounts he receives for his products--and he would continue to resort to politics as a cure for economic ills." Here follows a quotation from the Secretary's report, and the editorial concludes:"The remedy

for the farm problem lies in economic adjustments--in the expansion of marketing facilities so that our farmers can get their surplus into competition in foreign markets at low cost. And how? There lies the question no one has been able to answer yet. The man with the right answer probably can be President."

Department of Agriculture 2

An editorial in The Chicago Dairy Produce for January 18 says: "Dairy interests will feel disappointment that Doctor Larson's Bureau of Dairy Industry was not allowed by Congress the full amount of the increase asked for to carry on development work. One small item was left in the bill finally agreed upon, but not enough to permit any increase in the work the bureau had planned to do...."

Section 4

MARKET QUOTATIONS

Farm Products

Jan. 27: Livestock quotations at Chicago. Top price of hogs $12.30.

Maine sacked Green Mountain potatoes $2.65-$2.85 per 100 pounds in eastern cities; bulk stock $1.90-$2 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.20 carlot sales in Chicago. New York Danish type cabbage $15-$30 bulk per ton in consuming centers; few sales $14-$16 f.o.b. Rochester. New York and Midwestern yellow onions $2.75-$3.40 sacked per 100 pounds in city markets; $2.35-$2.65 f.o.b. Rochester. New York Rhode Island Greening apples $3.75-$4.75 per barrel in the Middlewest. Baldwins, $3.25-$4 in a few cities; common storage stock $2.25 f.o.b. Rochester. Michigan Jonathans $5-$6 in Chicago.

Average price of Middling spot cotton in 10 designated spot markets was unchanged at 12.80¢ per lb. March future contracts on the New York Cotton Exchange declined 1 point, closing at 13.18¢, and on the New Orleans Cotton Exchange they declined 2 points, closing at 13.17¢.

Closing prices on 92 score butter: New York 48½¢; Chicago 48½¢; Philadelphia 49¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets Jan. 26th: Single Daisies 25¾¢; Double Daisies 25½¢; Longhorns 26½¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 27,	Jan. 26,	Jan. 27, 1926
20 Industrials	153.13	153.36	156.46
20 R.R. stocks	119.61	120.41	109.48

(Wall St. Jour., Jan. 28.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 24 Section 1 January 29, 1927.

NATIONAL FORESTRY BUREAU URGED

A New Haven dispatch to the press to-day says: "Delegates to the joint annual conventions of the American and the Connecticut Forestry Associations yesterday urged the establishment of a United States conservation bureau, the purchase of a large tract in New Hampshire for a reserve and the retention of the Massachusetts forestry work as a separate unit instead of its combination with the State Department of Agriculture, as proposed by Governor Fuller. President George D. Pratt of the national association, in his annual address, accused the Government of failure to live up to its obligations as established in the Clark-McNary Act and said that the forestry interests had had to appeal to the President last October, urging the United States to finance its share of responsibility in fire protection for forest lands. 'We are all in sympathy with governmental economy,' Mr. Pratt said, 'but when economy becomes undiscerning and is carried to a point that threatens to defeat an organic forest law, American forestry enters upon dangerous ground.'..."

MUSCLE SHOALS

The Associated Press to-day reports: "Power potentialities of Muscle Shoals have been greatly exaggerated, in the opinion of W.B.Bell, president of the American Cyanamid Company, a bidder for lease of the property. Bell, testifying January 28 before the House military committee, declared no great amount of power for distribution throughout the country could be expected after needs for fertilizer production have been met. He estimated that within fifteen years, with construction of additional dams to supplement existing equipment, 75,000 horsepower might be available as a surplus. Under his proposal, he declared, most of the power would be required for fertilizer production, with 50,000 being sold to the Union Carbide Company, which, under agreement with the Cyanamid Company, would establish a plant at the shoals...."

ANCIENT WHEAT REPORTED FOUND

A London dispatch to the press to-day says: "One of the oldest samples of wheat in the world has been found by Professor S. Langdon, while conducting excavations for Herbert Weld and the Field Museum (Chicago) expedition at Jemdet Nasr, seventeen miles northeast of Kish. The discovery confirms the theory long accepted by the historical botanist that Mesopotamia is the original home of bread-making wheats. 'In a Sumerian house,' says Professor Langdon, 'I found stored in a fine red and black jar a quantity of charred wheat, which is, I believe, the only cereal ever recovered from the early remains of the Mesopotamia civilization. It proves that wheat was one of the oldest cereals grown by early man, and can be dated at about 3,500 B.C. Analysis has shown it to be the rivet, or cone wheat. The seeds are small and dark red, with blunt ends, and have the dorsal hump characteristic of the species, It is the most prolific of all the numerous kinds of wheat, and the straw is rank and extremely tall....."

Section 2

British Agriculture

An editorial in Country Life (London) for January 15 says: "In searching for a way out of the present situation, one is forced to the conclusion that either the costs of production must be cut down to a figure which makes an economic result possible, or, otherwise, that steps must be taken to insure that the producer gets a fairer share of the retail price of agricultural produce than obtains at present. There is very little doubt that much can still be done in the direction of cheapening the cost of production. This is not necessarily a question of paying lower wages, but of utilizing methods which will cut out non-productive labor, and at the same time increasing output, whether in the form of corn, meat or milk. In other words, a large field exists for the application of the business mind to farming problems even at existing prices. Colonial and American farmers have long since recognized these needs, and the labor problem is being solved along the line of doing in one operation that which under the old conditions would require several operations....The question of price, however, is a much more complicated one. The retailer in some form or other is generally regarded as an indispensable member of society. That is certainly true in the sense that there must be an avenue for distribution, but there is no justification for the margin which exists between wholesale and retail prices. There can be no question about the need for a revolution in the present methods of marketing, and this is one of the most urgent problems demanding solution. In some agricultural quarters the opinion is again gaining strength that the question of protection for agriculture should be seriously pressed forward."

Cotton Supplies

An editorial in The Wall Street Journal for Jan. 28 says: "What will happen to the world's cotton supplies in the next few years? asks Professor John A. Todd of Liverpool. Professor Todd is recognized as one of the world's greatest cotton specialists, and anything coming from him commands attention. The question he asks should set consumers to thinking. Cotton now, he says, is far too cheap, for it is admittedly below any presently reasonable cost of production. At current prices, the world could take almost any quantity of cotton goods, but, paradoxical as it may seem, the world will not buy because cotton is so cheap. Investors familiar with the securities market can readily understand the force of Professor Todd's statement. Only those who are thoroughly experienced will buy stocks when they are selling below their real value. The majority, while wanting these stocks, are afraid to buy, fearing or hoping that later they will go still lower. This is the case with the cotton market when the material is so cheap that, as this authority says, a policy of unrestricted production can not be any longer defended....He shows from the statistics of the International Cotton Federation that in the two seasons, 1911 to 1913, the world's total consumption of cotton of all kinds was 46,423,000 bales. In the two seasons, 1924-26, he says, it was 49,399,000 bales, which would be an increase of 6 per cent above the pre-war period. There is now an enormous potential demand, which is only held back by the fear that cotton may go still lower. If this present slump in prices does discourage world production and result in wholesale acreage reduction, as Professor Todd intimates and expects, then there will be a substantial reduction in the world's supply in the face of an increasing demand. Looking at it from this angle, he asks what is to become of the future supply?"

Farm Business in Wisconsin An editorial in The Wisconsin Agriculturist for January 15 says: "In a recent address before the Wisconsin Fair Association, John D. Jones, jr., commissioner of agriculture, declared that the farm business of Wisconsin is on the soundest basis of any State in the Union. He declared that not a single bank has failed on account of bad loans to farmers or because the securities that farmers gave as collateral were 'frozen' or worthless. The reason for this situation is shown in a chart published in this paper a few weeks ago. This chart shows that in the total range of Wisconsin farm products only about three per cent fall within the group that are sometimes classed as surplus--that is to say, grain for cash sale. The rest of our grains and forage crops are largely fed to livestock and poultry and marketed in the form of livestock, dairy products and eggs. Just about half the total of Wisconsin production is in the form of dairy products. These bring a steady cash income throughout the year. Steady income means steady markets. Steadiness makes for soundness."

"Farm to Table" An editorial in The Country Gentleman for February says: "Another grand plan to eliminate the middleman in the marketing of farm products has proved a flop. Two years ago, with much ballyhooing, Congress passed a law authorizing an experiment in the use of the rural mails that would carry out the spirit of the slogan, 'From farm to table.' Though the plan was widely heralded at the time as epochal, a boon alike to the city housewife and to the farmer, the recent annual report of Postmaster General New discloses that this chapter of governmental experimentation has been brought to a close. Mr. New devotes to the writing of the obituary of the plan two paragraphs which can be compressed into one word--failure. It simply didn't work; neither city folks nor farmers showed sufficient enthusiasm to justify its continuance. Ten months' trial served to reveal that the high hopes of the farm-to-table protagonists had gone glimmering. The Post Office Department apparently did everything in its power to make the plan a success. Commissions of half the postage paid were allowed the carriers to give them an incentive to drum up business along their routes and in their home towns. In the beginning letters were addressed to postmasters at 194 offices in twenty-nine States, but of these 156 replied that the idea did not meet a popular response in their communities. The remaining thirty-eight were not enthusiastic but expressed a willingness to cooperate. Some forty-four rural routes were actually selected for the experiment, but only forty-two per cent of them ever carried farm-to-table mail matter. The Post Office Department's most significant conclusion was that the professional huckster, collecting food products and paying market prices in cash right at the farm, was the greatest single obstacle to the success of the farm-to-table plan. By selling to the hucksters the farmer can obtain as high a net price for his products as he can shipping by parcel post, without the incidental trouble of corresponding and packing, and with no postage to pay. City market men give another reason for failure--namely, that the farmer, posted on city retail prices, is prone to demand of the housewife the full city scale for everything he sells by mail. And on her part there is no incentive to farm-to-table buying unless the price asked is a farm price. Perhaps either of these reasons fits the case, but one thing certain is that the plan, launched so noisily and so confidently, meets no public need or demand."

Industrial Production

A statement issued by the Federal Reserve Board January 27 says: "Volume of output of industry decreased further in December to the lowest level in more than a year, and wholesale prices continued to decline. Easier conditions in the money market in January reflected the usual seasonal liquidation after the turn of the year. In December, for the third consecutive month, there was a decrease in industrial production, and the board's new index, with adjustment for seasonal variations, was 105 on the basis of the average for 1923, 1924, and 1925 as 100. This compares with 113 in September, the high point of the year, and with 108 a year ago. The decline since the recent high point has been entirely in the manufacturing industries, as the output of minerals was at a record high level in November and showed only a slight decline in December. By far the greatest recession of recent months has been in the automobile industry, output of passenger cars and trucks in the United States decreasing from 425,000 in August to 165,000 in December. Reduction in the manufacture of automobiles is usual at the end of the year, when plants close for inventory taking and repairs, but in December, 1926, the decline was considerably larger than usual. Production of iron and steel has also been sharply reduced since the middle of autumn, and activity in the woolen and worsted and silk industries has been somwehat curtailed. Production of lumber, cement, and other building materials has reflected the usual winter decrease in demand. Cotton consumption, on the other hand, was larger than in any previous December....."

Intermediate Credit Banks

An editorial in The Journal of Commerce for January 28 says: "Proposal to permit intermediate credit banks to make short term loans to cooperative marketing associations has been presented to the House of Representatives. What is wanted appears to be the development of a general system whereby agricultural and other cooperative marketing groups can practically use an intermediate credit bank as an ordinary borrowing institution from which to get accommodations. The reason alleged for this innovation is that some banks are too small to take care of the cooperatives, while the latter, in other cases, do not find a cordial reception at large banks. To put this briefly, those who are behind this measure want to develop easier credit for farm borrowers and in order to bring that about they propose to give these borrowers a special or preferred position at intermediate credit banks, which were originally capitalized by the Government and are in a peculiar sense a Government enterprise. The unwarranted character of this proposal becomes particularly apparent when it is remembered that when the intermediate credit banks were formed, it was with the distinct understanding that their function was merely that as acting as banks of rediscount or as auxiliaries to the farm land banks, which were believed to be so restricted in the length of their loans that they could not appropriately meet the requirements of the maker of 'intermediate' paper....The extraordinary danger of Government loans to any special class in the community or, indeed, of Government loans on any basis has been so often pointed out and so effectually illustrated by facts that it ought not to be necessary even to refer to it again. Undoubtedly it is one of the gravest dangers to which a democratic Government can be subject....Let our administrators at Washington do what they can to lessen the extent of our participation in our banking field rather than to increase it. In the long run, the risk which they incur from this type of loan and this way of currying favor with

inadequately provided borrowers throughout the country reacts upon them and costs a good deal more than any benefit possibly to be derived from it can warrant."

Radio Legislation — In an editorial on the radio bill, The Baltimore Sun for January 28 says:"....Aside from giving the commission authority to regulate radio transmission, assign wave lengths, determine location of stations and establish zones, the bill expressly provides that where material broadcast is paid for by individuals or firms announcement of the fact must be made....Regulation of radio communication has many perplexing angles, and experience will probably demonstrate defects and shortcomings in any plan of action. But the subject has been under consideration for so long that the experiment proposed in the present bill should be indorsed by Congress."

Section 3
MARKET QUOTATIONS

Farm Products — Jan. 28: Livestock Quotations at Chicago on top price of hogs $12.60.

Maine sacked Green Mountain potatoes $2.50-$2.85 per 100 pounds in eastern markets; bulk stock $1.95-$2.05 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2.10-$2.20, carlots, in Chicago and $1.80-$1.95 f.o.b. Waupaca. New York Danish type cabbage $15-$25 bulk per ton in distributing markets; $15 f.o.b. Rochester. Florida pointed type $1.25-$2 per 1½ bushel hamper in the East. Texas round type $2.50-$2.75 per barrel crate. New Jersey yellow sweet potatoes $1.50-$1.75 per bushel hamper in city markets; Tennessee Nancy Halls $1.10-$1.25 in the Middle West. New York Rhode Island Greening apples $3.50-$4.75 per barrel in city markets; cold storage stock $3.75 f.o.b. Rochester. Eastern Staymans $2-$3.25. Michigan Jonathans $5-$6 in Chicago.

Closing prices on 92 score butter: New York 43½¢-49¢; Chicago 49¢; Philadelphia 49½¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets Jan. 27 : Single Daisies 25¾¢; Double Daisies 25¼¢; Longhorns 26¼¢; Square Prints 26¢.

Average price of Middling spot cotton in 10 designated markets advanced 19 points, closing at 12.99¢ per lb. March future contracts on the New York Cotton Exchange advanced 22 points, closing at 13.40¢, and on the New Orleans Cotton Exchange they advanced 23 points, closing at 13.40¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.48. No.2 red winter Chicago $1.38; St.Louis $1.40. No.2 hard winter St.Louis $1.42; Kansas City $1.38. No.3 yellow corn Minneapolis 74 cents; St.Louis 77; Kansas City 73. No.3 white oats Chicago 45 cents; Minneapolis 46; St.Louis 46; Kansas City 47. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 28,	Jan. 27,	Jan. 28, 1926
20 Industrials	153.86	153.13	157.20
20 R.R. stocks	119.29	119.61	110.21

(Wall St. Jour., Jan. 29.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 25 Section 1 January 31, 1927

THE BUDGET MEETING

President Coolidge addressed members of his Cabinet, heads of various Government bureaus and hundreds of subordinate officials at the semi-annual budget meeting in Washington January 29. The President in the course of his address emphasized the following points: It is too early to forecast a permanent reduction in taxes in the near future. This year promises a substantial surplus with indications pointing to a surplus next year. The United States was $2,000,000,000 ahead of its debt reduction schedule on June 30 last, representing an annual saving in interest of $100,000,000. Improvement is noted in the business operations of the Government due to the establishment by Congress of the budget system, but the real accomplishment has been in the execution of the plan by the Executive Departments. The results of economy in the operation of the Government's finances according to a scientific plan are unprecedented in the financial history of the world and America has been placed at the pinnacle of success and prosperity. Prosperity in this country has been increasing from year to year since the depression of 1920. The per capita cost of Government has been reduced from $51 to somewhat over $30 in six years. With a full Treasury and revenues at flood tide courage is required to continue the practice of economy. The Federal service should be adequately manned, but not overmanned. Since 1921 employees in the Executive service, exclusive of the postal service, have been reduced 70,000. Meantime efficiency has increased. The reclassification act is operating satisfactorily.

Brig. Gen. Lord, Director of the Budget, in his address reiterated the fact that the apparent surplus for this fiscal year was $383,079,095, while the margin for next year appeared to be $200,703,863. He did not discuss tax reduction. Relating the results of the budget, the Director said that in the six budgets so far submitted to Congress the estimates totaled $22,741,682,205, which was $1,492,458,996 less than was asked by the Executive Departments. Gen. Lord reported progress in the Two Per Cent Personnel Club, made up of bureau chiefs, who effect a reduction of 2 per cent in the number of their employees during the year. The Budget Chief urged Government heads to cut down on their correspondence as a means of saving. There is too much dictation and too much typewriting, he urged. (Press, Jan. 30.)

THE RADIO BILL

The compromise radio control bill, worked out by conferees, was approved Jan. 29 by the House. The Senate has not yet acted on it. The compromise bill was accepted without a record vote. It would provide for creation of an independent commission to handle all radio matters, such as issuing broadcasting licenses and the assignment of wave lengths, for one year. After that these powers would be transferred to the Secretary of Commerce, with the board acting as a judicial body in the event of disputes. (Press, Jan. 30.)

TAX AND FARM COALITION URGED

The press to-day reports that a coalition of tax reduction and farm relief advocates to force both proposals through this Congress was suggested last night by Representative Davey, of Ohio.

Section 2

Boy Immigrants in Canada

By agreement between the British and Ontario Governments, commencing in the spring of 1927, boys from Great Britain, 15 to 17 years of age, may have free passage to the Province, be given agricultural training, and then be placed with reliable settlers at wages of about $10 per month, board, and lodging. The boys are to remain in these positions for three years, getting practical agricultural experience under supervision.

Canned Products

An editorial in The Wall Street Journal for January 29 says: "There were over 800,000,000 pounds of canned and dried foods exported in the calendar year 1925. In value, these exports added about $85,000,000 to our export balance. Compared with the leaders in export trade--cotton,petroleum, automobiles--this amount is not large, but back of this trade is an industry of growing importance, so that the exports are of value out of proportion to their relative size. Census figures show that in 1925 the canning industry for fruits and vegetables amounted to $515,000,000. If to this we add the fish and oysters that were canned, the total would be $565,000,000. So the man who lands fish at Gloucester, the farmer who raises peas or tomatoes in New Jersey, or he who produces cherries and pears in California, all are interested alike in the canning industry. So also is the investing public. If to these figures we add the salmon canning of Alaska and the pineapple business of Hawaii, we will have from $90,000,000 to $100,000,000 more. The business is one of rapid growth. Since 1899 it has increased 550 per cent. The farmers of the South are asking what they can raise if they reduce their acreage of cotton. The answer would seem to be, something good to eat. There are almost unlimited possibilities there for fruits and vegetables. The canning industry, however, should supplement the agricultural production, otherwise the producers might suffer loss in congested markets, as was the case of some of the peach growers of the South last year...."

Corn Borer in Illinois

An editorial in The Iowa Homestead for January 13 says:".... Congress has already made temporary appropriations for the purpose of checking the spread of the borer, and Representative Purnell has now proposed an additional authorization of the expenditure of $10,000,000, if necessary. Iowa will be asked to make appropriations at the present session of the Assembly to cooperate with the Government, and with the corn belt States, in fighting the borer. I hope that a liberal authorization will be made for this purpose. There should be no limit in the extent to which the State should go to keep the borer out if possible.....Temporarily it may be that the borer will be of benefit to the corn growers. Should it become a serious menace to production in Indiana, Ohio and Illinois, other crops will be adopted, and corn shortage and higher prices follow. But this would be a shortsighted policy for Iowa to adopt. Dean Charles F. Curtiss, of Ames, is one of the most active of the experts of the country in the Nation-wide campaign being waged against the pest. He should be given every facility recommended by him in assisting in his national work."

Dairy Industry in the West

An editorial in The Pacific Dairy Review for January says: "The dairy industry of the eleven Western States should be growing faster. With the export demand on the upgrade, population increasing and per capita consumption growing, there are not enough cows on the western slope to take care of needs. This situation is brought out clearly for the first time in a survey of the eleven Western States carried by the western branch of the American Dairy Science Association and

reported by Prof. F.W.Atkeson and H.C.Hanson of the University of Idaho. In the period from 1919 to 1924 population of the eleven Western States increased 24.6 per cent while the dairy industry increased but 1.2 per cent. This is a ridiculous condition.....It is a fact, other things being equal, that a cow will produce more butterfat a year when she resides in this western climate than in the East. The high per cow production of Washington and California, particularly, indicates this. Outside of Rhode Island the cows of these two States lead the Nation as individual producers. Farmers migrating to the western country are too inclined to think of fruit growing....The present situation is a serious one. Dairying must be increased in localities that are suited to dairying for the combined benefit of the people of these Western States, for the agricultural stability of the rural districts of the western slope and for the sake of the dairy industry as well."

Flour Production Limitation

An editorial in The Northwestern Miller for Jan. 26 says: "Millers of the United Kingdom are considering a plan for voluntary limitation of flour production by individual companies to 'a percentage of the average of the best two years out of the past five years.' The laws of that Nation apparently permit such a restriction by agreement, and it is urged that such action by millers would so reduce competition that it would be possible to operate at a profit....Millers on this side the Atlantic will be left somewhat aghast at news of this open discussion of the possibility of millers agreeing to limit flour production. In this country, with its vigorous and sometimes enforced antitrust laws, the least that could happen to them would be to go to the penitentiary. In spite of a course permissible in England which would not be possible in this country, The Northwestern Miller somehow doubts if voluntary action to restrict output will operate to restore profits to mills. Some such thing was looked for as the result of milling combinations in England, but, assuming that conditions are accurately reflected in English milling papers, the hoped for effect has not been accomplished and millers as a whole, including the largest, are in no better position than before....It is the belief of this journal that industrial troubles arising out of excessive competition can not ordinarily be overcome by mechanisms depending upon agreements among a very large number of independent elements. This is most particularly likely to be true of flour milling, because of the very wide distribution of units, varying conditions of wheat supply, great variety in size and methods of the many thousand enterprises and the enormously complex distribution of products...."

Mexican Conditions

Theodore M. Knappen is the author of an extensive article entitled "American Investors Faced with Billion and a Half Loss in Mexico" in The Magazine of Wall Street for January 29. In this the author says: "Economically, the United States long ago annexed Mexico! President Calles is seeking to sever the nexus through political action. American business bought and paid for Mexico, and the Mexicans now seek to repudiate the bargain and annul its consummation. Hence, a politico-economic crisis with near a billion dollars actually and many billions potentially of American investments at stake, and the political future of Mexico profoundly involved. With the Mexicans the end--economic independence--justifies the means--abrogation of

vested rights. To Americans, at least to those whose money is invested in Mexico, this assertion of independence means confiscation--almost as bold and and as bald as the confiscation of American property by the Russian Bolshevists. That is the nucleus of the American-Mexican impasse when stripped of its thick wrappings of diplomatic verbiage. The United States demands performance as "nominated in the bond" regardless of new Mexican constitutions, verbose laws and recondite regulations. Mexico refuses such performance and vouchsafes only such recognition of pre-revolution rights as suits the views of the post-revolution government...At least $500,000,000 worth of American owned property is on the verge of expropriation....."

Stock Market An editorial in The Magazine of Wall Street for January 29 says: "As has been its characteristic for weeks, the stock market presents a curiously ragged appearance with cross currents of alternating strength and weakness. Such behavior is typical of a period of lull in industry when it has not yet been determined whether the business trend is to be up or down. Thus far, indications of the business outlook are not sufficient to warrant a definite forecast. Railroad shares and, to a lesser extent, the oils are the only important points of public interest, a logical situation since both groups represent essentially strong industries with sound prospects. Thus far, attempts to unsettle the market have not met with great success, due to the probability that strong banking interests are still willing to offer support to the market on declines and that the short interest is sufficiently large to act as a cushion to any set-backs which occur....."

Wheat Prospects An editorial in The Journal of Commerce for January 26 says: "From present indications the world's wheat crop will be larger than it was a year ago and in excess of all previous crops except those of 1913 and 1915. The level of wheat prices depends, of course, not only upon supplies produced in any one year, but upon the distribution of those supplies and upon the size of stocks already on hand. To these considerations, the question of the volume of the demand is closely related. Any reliable estimate of probable consumptive requirements would necessitate a study of general economic conditions within all the principal wheat exporting and wheat importing countries. For instance, a large world wheat crop in one year may have a very different effect upon the volume of demand, hence upon prices from that produced by an equally large crop the following year. The conditions determining price are very dissimilar when the good crops chance to be found in importing countries from those prevailing when the excess harvests occur in export lands. It so happens that the excellent world crop of this year is coming from the countries that export, while the European importing nations have poorer crops. In 1925 the situation was largely reversed, with good crops in Europe and poor ones in leading exporting areas. The strength of the tendency to economize in Europe will, as a result, be a very important factor to be reckoned with. Then, too, with depleted stocks built up in importing countries following a good year, import demands would in any case tend to decline. The conditions are such as to throw considerable light on the bearish sentiment which has been especially pronounced of late."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Jan. 29: Livestock quotations. Hogs on the Chicago market are selling to-day at prices slightly lower than yesterday, market dull. Compared with a week ago, beef steers of the better grades are selling at prices steady to slightly higher with in between grades 25 to 50¢ lower, heifers, excepting the common kinds, shared the loss; fat cows and feeder steers are weak to 25¢ lower; vealers are 25 to 50¢ higher and heavy calves unchanged. Fat lambs 25 to 75¢ higher, yearling wethers and fat ewes 35 to 50¢ higher, feeding lambs around 25¢ up. New York wholesale fresh meat markets firm to $1 higher on steer beef and light pork loins, $1 up on veal, steady on lamb and mutton and $1.50 to $2 higher on heavy pork loins, compared with a week ago.

Maine Green Mountain potatoes 5¢-25¢ lower sacked per 100 pounds in eastern markets; bulk stock $2-$2.05 f.o.b. Presque Isle. Apple markets firm. New York Rhode Island Greenings ranged $3.50-$4.75 per barrel in city markets; cold storage stock mostly $3.75 f.o.b. Rochester. Michigan Jonathans $5-6 in Chicago. Onions steady. New York and Midwestern yellows ranged $2.75-$3.25 sacked per 100 pounds in distributing centers; $2.35-$2.65 f.o.b. Rochester. New York Danish type cabbage $2-$10 lower at $15-$23 bulk per ton in consuming centers; $14-$15 f.o.b. Rochester. Texas Round type $2.50-$3 per barrel crate.

Butter markets during the week were firm but slightly irregular. Prices reacted from weakness at the opening and advanced several cents during the week. The market, from a statistical standpoint, is quite favorable.

Cheese markets were about steady and prices on the cheese boards at Plymouth, Wisc., on Jan. 28 were unchanged. Trade was generally quiet, with production running below last year.

Average price of Middling spot cotton in 10 designated markets declined 8 points during the week, closing at 12.93¢ per lb. March future contracts on the New York Cotton Exchange declined 11 points, closing at 13.33¢, and on the New Orleans Cotton Exchange they declined 8 points, closing at 13.31¢.

Hay market quiet with moderate receipts. Timothy slightly easier in eastern markets with slack demand. Good leafy alfalfa for dairies active, lower grades draggy. Prairie demand good for top grades, lower grades moving slowly.

Feed market steady to slightly higher. Bran steady in eastern markets but easier in Southwest because of increased output there. Shorts and middlings about steady. Cottonseed meal prices well maintained. Unfavorable weather again restricting movement of cottonseed to crushers. Linseed meal fractionally higher account restricted offerings. Gluten feed moving readily at recent advance. Hominy steady in most eastern markets, easier at Chicago. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Jan. 29,	Jan. 28,	Jan. 29, 1926
	20 Industrials	155.18	153.86	157.35
	20 R.R. stocks	120.23	119.29	111.32

(Wall St. Jour., Jan. 31.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 26 Section 1 February 1, 1927.

AGRICULTURAL BUILDING DRAWINGS

The Washington Post to-day reports: "Drawings for the new central part of the Department of Agriculture's Administration Building which will connect the existing two wings of that structure were contracted for yesterday by Secretary of the Treasury Mellon with Rankin & Kellogg, architects, Philadelphia. Thomas H. Kellogg and John Paul Rankin, were members of the firm of Rankin, Kellogg & Crane which drew the plans for the wings. Besides construction of the central unit, costing $2,000,000, an additional expenditure of $5,750,000 has been authorized for an extension building immediately south of the present administration group of the department on the Mall. Appropriations of $400,000 are available for the first project, and $1,200,000 for the latter."

MCNARY-HAUGEN BILL

The press to-day reports that steps were taken yesterday in both branches of Congress to bring the McNary-Haugen farm relief bill to the front for discussion, but while its consideration in the House next Monday seemed assured, an attempt to slate it for Wednesday in the Senate failed, it was charged, through overambitious efforts of its friends. The House rules committee voted a rule to have the bill called up on Monday, with twelve hours' debate, divided between supporters and opponents. This rule must have the sanction of the House before the bill can be discussed. In the Senate the proposal to debate the farm bill Wednesday was complicated by a demand for discussion of the branch banking bill Thursday, and, as the result of a long parliamentary debate, nothing was done with either request. Advocates of the branch banking bill accused the farm relief bloc of filibustering against the agreement to consider the other measure on Thursday. Both proposals will be discussed again to-day.

MUSCLE SHOALS

The Associated Press to-day reports: "To conclude its hearing on Muscle Shoals proposals and facilitate action by the House at this session, the House military committee called a night session last night to hear witnesses on the two sides before it. They are offers by the Farmers Federated Fertilizer Corporation, backed by eastern capital, and by the American Cyanamid Co., of New York. Both would lease the property for 50 years, with fertilizer production as their chief function. With a promise of speedy action in the House on any recommendation it produces, the committee hopes to reach a decision within a few days. Any bill it approves will join in the House calendar the offer of the Associated Southern Power companies, which received the support of a majority of the joint congressional commission on Muscle Shoals. Chester Gray and other officials of the American Farm Bureau Federation consumed four hours in testifying at the night session in support of the Madden proposal, embodying the bid of the American Cyanamid Co."

Section 2

Curtis-Crisp Bill

1 In an editorial review of the Curtis-Crisp bill, The Prairie Farmer of January 15 says:"....The Curtis-Crisp bill provides for a Federal farm board of 12 members appointed by the President, with the Secretary of Agriculture as chairman. When it appears that an emergency exists, the board can advance money to cooperatives from a $250,000,000 Government revolving fund to enable them to form a corporation to buy up the surplus and withhold it from the market.....As a practical and effective measure of farm relief this bill is not worth the paper on which it is written. It contains no provision for an equalization fee. All expense of handling surpluses and all losses involved must be borne by the cooperatives. This means that the entire burden of stabilizing the price of any crop must be borne by the farmers who belong to the cooperative. That is just the situation now. The only thing of any possible value which the Curtis-Crisp bill does is to furnish cooperatives with additional credit, and if that credit is used as provided in the bill it will inevitably ruin the cooperatives using it. The Curtis-Crisp bill is the discredited Tincher bill in another form. It is a cruel joke on farmers who are anxiously hoping that this Congress will pass a real relief measure."

2 An editorial in Farm Life for February says: "The administration has made a friendly gesture in the direction of farm relief. The Curtis-Crisp bill, briefly outlined by Mr. Snure on his page, goes far toward meeting the surplus problem. It is less effective, perhaps, than the McNary-Haugen bill, but the House committee on agriculture should be able to use it as a basis of compromise in working out a measure that may be passed by Congress and approved by the President. Some of the extremist friends of the McNary-Haugen measure say the Curtis-Crisp bill complicates the situation. Some of them even declare in injured tones that it was written in Secretary Jardine's office. Well, that doesn't poison our minds against it.....We would have been glad to see him more friendly to the McNary-Haugen plan, and now we congratulate him on yielding as many points as he has in this new measure. The prospects are brighter for the passage of a farm relief bill by the present Congress. It may not be a full loaf, but it will be nourishing to farmers while the Nation is groping its way toward the more perfect agricultural policy."

Land Research in Britain

An editorial in The Estate Magazine (London) for January says: "It is not widely appreciated that invested in agricultural research the country has funds to the value of nearly 400,000 pounds a year. There is a large organization, mainly operated by these funds, which is staffed by more than a hundred expert scientists placed at various institutions and continually at work on agricultural research. Altogether, there are some eighteen institutions in England and Wales and five in Scotland. The field of research is divided into sections, and each section is allocated to an institution where it is under the direction of a master scientist. For instance, soil fertility and plant diseases are allocated to the world-famous experimental station at Rothamsted, under Sir John Russell; plant breeding, with special reference to cereals, to Cambridge, under Sir Rowland Biffin; breeding of grasses and forage crops to Aberystwyth, under Professor Stapledon; fruit and vegetable research mainly at Long Ashton, Bristol, under Professor B.T.P. Barker; fruit only, at East Malling, Kent, under R.G.Hatton; and so on.

The whole field is mapped out, and capable, earnest students are all the time at one or other of the twenty-three institutions trying to make clear for the benefit of agriculture some matter connected with life, growth, or disease, which has hitherto been obscure....."

McNary-Haugen Bill

An editorial in The Baltimore Sun for January 31 says: "The Department of Agriculture has issued emphatic warning to farmers of further trouble in store for them if production of cash crops for this year is not drastically cut. The department is not infallible, but its information, probably, is as accurate as any that would be had by the agencies proposed in the McNary-Haugen bill and its advice as sound. It insists that large production will inevitably bring low prices. To this extent the McNary-Haugen bill could do no more. It could not compel reduction in acreage; it could only urge it. But the commission created under the bill would have a revolving fund of $225,000,000, use of which, sponsors of the measure declare, would assure the farmer a profit on his crops. If the farmer, under present conditions, when he knows, overplanting means loss, will not cut production, what reason is there to expect him to do so when he sees a vast sum of money in the hands of a Government body to be used to bolster prices? It is insisted that an equalization fee to be charged, by way of illustration, on wheat which moves from the farm will furnish the check. This fee is to be the same on every bushel of wheat, whether produced on land held at $300 to $400 an acre in Iowa or on land valued at $30 an acre in Kansas. The same tax will be imposed on the man who raises wheat under most disadvantageous conditions as on the man who breaks ground with a modern tractor and who gathers his grain with a combine. There is no uniformity in cost of making the crop. If, in the circumstances, the revolving fund maintains a price which will give the Iowa farmer a profit, thousands of others who can operate at far lower outlay can pay the equalization fee and reap a reward which will encourage them to plunge to the limit in planting. The scheme does not prevent a surplus. It places a reward on one."

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for January 29 says: "In a rather gloomy statement recently issued by the Department of Agriculture in Washington, attention is called to what is thought to be the inevitability of an excessive supply of raw cotton in this country and in the world for that matter pending possible adjustment in next season's output. Authorities are certain in their own minds that the 'carry-over' will be burdensomely excessive and that a full 30 per cent reduction in acreage next year is strongly to be advised. Of course, it is a rather late date to be telling cotton producers of this country that they have overproduced, and the estimates of the Government as to the amount of acreage reduction needed will fall far short of proving the controlling factor. The advice thus presented may, however, be well enough in its way, although naturally the question of extent of retrenchment is one about which opinions will inevitably vary a good deal....The spreading out of the Cotton Belt, particularly in the Southwest, is by no means simply a result of boll weevil troubles in such States as Alabama, Georgia and the others, nor is it in any great degree dependent upon the fight against that pest. It has been found that by employment of dry farming methods cotton can be produced in large parts of western

Texas more cheaply than in the larger portion of the old belt under the most favorable conditions that are likely to exist. There are literally millions of acres of this land yet to be brought under cotton cultivation.....Much new land has thus been devoted to cotton in recent years, and there is a good deal more of it waiting similar exploitation in Arkansas and Louisiana. In much the larger part of the areas thus described, cotton can be sold at present prices with a reasonable profit. It can in the light of these facts be clearly seen that farmers in these particular districts have no very strong incentive to reduce acreage next year. The Department of Agriculture is accordingly hardly going to the heart of the matter in issuing the generalized statement already cited about acreage reduction. Certainly it is doubtful enough if there is need for regular crops of the size of that that has been made this year, but curtailment must and will come in those sections of the belt where production cost is highest, and will probably be controlled in large measure by those who provide the credit for the farmer."

Section 4
MARKET QUOTATIONS

Farm Products

Jan. 31: Livestock quotations at Chicago. Top price of hogs at $12.25.

Maine Green Mountain potatoes in most markets $2.60-$2.90 sacked per 100 pounds in eastern cities; bulk stock $2-$2.05 f.o.b. Presque Isle. Wisconsin sacked Round Whites at $2-$2.20 carlot sales in Chicago; mostly $1.80 f.o.b. Waupaca. Delaware and Maryland yellow sweet potatoes $1-$1.35 per bushel hamper in city markets. Tennessee Nancy Halls $1.10-$1.30 in the Middle West. New York and Midwestern sacked yellow onions ranged $2.75-$3.25 per 100 pounds in city markets; $2.50-$2.65 f.o.b. Rochester. New York Rhode Island Greening apples 25¢-50¢ higher at $3.50-$4.75 per barrel in a few cities; cold storage stock mostly $3.75 f.o.b. Rochester. Baldwins at $3-$4. Michigan Jonathans $5-$6 in Chicago.

Closing prices on 92 score butter: New York 49½¢; Chicago 50¢; Philadelphia 50½¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets Jan. 29: Single Daisies 25½¢; Longhorns 26¢.

Average price of Middling spot cotton in 10 designated markets declined 8 points, closing at 12.85¢ per lb. March future contracts on the New York Cotton Exchange declined 8 points closing at 13.25¢, and on the New Orleans Cotton Exchange they declined 10 points, closing at 13.21¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.40-$1.47. No.2 red winter Chicago $1.36; St.Louis $1.40. No.2 hard winter Kansas City $1.37. No.3 yellow corn Chicago 71¢; St.Louis 78¢; Minneapolis 74¢; Kansas City 73¢. No.3 white oats Chicago 45¢; St.Louis 46¢; Minneapolis 45¢; Kansas City 47¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Jan. 31,	Jan. 29,	Jan. 30, 1926
20 Industrials	156.41	155.18	157.44
20 R.R. stocks	120.83	120.23	111.36

(Wall St. Jour., Feb. 1.)

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DAILY DIGEST

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Vol. XXIV, No. 27 Section 1 February 2, 1927.

THE PRESIDENT CONSIDERS CHINA INQUIRY

The press to-day reports: "President Coolidge is considering the appointment of an American commission to study the Chinese situation, especially the American attitude toward the arbitration of the customs tariff and extraterritorial treaties, so as to be prepared to act when the time is favorable for negotiation with responsible Chinese authorities. The appointment of such a commission of international law experts was proposed to the President yesterday, and may be accepted as one of the ways to help solve the problem of American relations with China. It is admitted that the President will give the proposal serious thought, since the suggestion came from an influential American who has given long study to our relations with China....."

MCNARY-HAUGEN BILL

The press to-day says: "Farm relief legislation at this session received a backset yesterday afternoon when objections were made in the Senate to an agreement proposed by Senator McNary to vote on the McNary-Haugen bill on Friday afternoon and the McFadden banking bill on next Monday, with a limitation of debate on both bills. Senator King of Utah would not consent as long as eight appropriation bills remained unpassed. Senator Harrison of Mississippi and Senator Lenroot also opposed the agreement, while Senator Caraway advocated it. Senator McNary pleaded in vain for Senators not to 'get in the way.' He told them that thirty-seven speeches had already been made on the farm bill."

BOND ISSUE FOR RAISIN GROWERS

The New York Times to-day reports that a loan of $5,500,000 is to be made by Dillon, Read & Co., New York, to the Sun-Maid Raisin Growers' Association of California, a cooperative undertaking. This is said to be one of the first times, if not the first, that Wall Street has financed an agricultural cooperative association.

CHEMICAL VITAMINS

A Berlin dispatch to the New York Times to-day says: "The problem of raising the nourishing qualities of foods which are low in vitamin value is believed to have been solved by Professor Windaus of Göttingen University, who, after years of research, discovered that by simply adding a chemical compound known as 'ergosterin' a mysterious 'Vitamin A' could be produced in great quantities. By treating ergosterin with violet rays it was discovered by Professor Windaus's working with Professor Frank Nobel, Peace Prize winner, that Vitamin A could be isolated and produced artificially.... The American chemist, Hess, and the English chemist, Rosenhain, are credited with greatly assisting in isolating the vitamin....."

THE RADIO BILL

The press to-day reports that final action on the compromise radio control bill will be sought in the Senate to-day by Senator Dill of Washington. Should the Senate act promptly, the bill can reach President Coolidge by Friday for signature.

Section 2

Banking Legislation

An editorial in The Wall Street Journal for January 31 says: "Indications point to the early passage of the McFadden banking bill as differences between the Senate and House conference committees have been straightened out through elimination of the Hull amendment on branch banking. As far as it goes, therefore, this measure has been improved. But it has gone far enough. There is still much that will become disturbingly apparent later on. The bill would restrict branches of national or member State banks to the corporate limits of home cities having population of 25,000 and upward, in States permitting branch banking. This restrictive principle was lately expressed by resolution of the American Bankers' Association. The slogan to help passage of the bill has been the necessity for safeguarding the national system by reason of defections to take out State charters. The McFadden bill is alluded to as a branch banking measure as it is supposed to give national banks the same privilege in this respect as State banks....."

Boulder Dam

An editorial in The New York Times of January 31 says: "Secretary Hoover urges the need of prompt action on Colorado River legislation. The Swing-Johnson bill, providing for a $125,000,000 development at Boulder Canyon, is now under discussion in the rules committee of the House, Mr. Hoover is careful not to commit himself to all the detailed provisions of that bill. What he is seeking is some practical compromise in the interest of a final determination of Federal policy toward the project. He believes that legislation is needed for three 'imperative reasons,' flood control, water supply and the protection of international rights. It is worthy of note that Secretary Hoover does not include power development among these compelling matters. Yet it is around this phase of the undertaking that the present controversy is seething. A dam, the highest in the world, is to cost $41,500,000. This will create a huge reservoir which will effectively end the flood menace on the lower river and provide a domestic water supply for the cities of lower California. An 'All-American' canal, replacing one which now runs through Mexican territory, will furnish adequate irrigation for the Imperial Valley at a cost of $31,500,000. Finally, another $31,000,000 is set aside for use, at the discretion of the Secretary of the Interior, in building hydroelectric plants capable of generating 1,000,000 horsepower. All this money, and $21,000,000 more for interest during construction, is to be advanced by the Federal Government, which is expected to recoup its investment out of the sale of electric current.... Is the power element of the project sound; and if so, should the Government finance it?....."

Italy to Grow Medicinal Plants

The press of January 30 reports that the Italian Association for Medicinal and Aromatic Plants has appointed a committee to study the means of developing the cultivation of plants used in medicine and industry. It is proposed to form a national syndicate that will include botanists, pharmacologists, physicians, chemists, manufacturers and other interested groups, who will collaborate in attaining the objects of the association. Markets will be created for plants used in pharmacy, perfumery and industry. The scheme includes the establishment of centers for plant collection, while a mobile distillery will extract the essential oils from native aromatic plants.

Livestock Situation

A review of the livestock and meat situation, issued Jan. 30 by the Institute of American Meat Packers, states in part: "January has been another unsatisfactory month in the wholesale meat trade. Features of the month of especial interest to consumers include further declines in the wholesale prices of fresh pork products and a slight increase in the demand for cuts from the hindquarter of beef, with a consequent slight weakening in the wholesale prices of cuts from the forequarter....The export trade in pork products again was of relatively small proportions. Prices of meats in the United Kingdom were unsatisfactory. There was some buying of hams for future shipment. Continued heavy shipments of bacon from Continental points have had an unfavorable effect on sales and prices of American meats from spot stocks. The trade in lard was quiet and of small proportions, both in the United Kingdom and on the Continent."

Mexican Conditions

An editorial in The Wall Street Journal for February 1 says: "Economic distress prevails over Mexico. There is a deficiency in production, unemployment is widespread, immigration is declining and emigration increasing, with a resultant decline in population. Responsibility rests upon the shoulders of those who are now making and enforcing radical laws. El Universal, a leading newspaper of Mexico City, sometimes even called 'semi-official,' in speaking of the present distressing situation, says, in part: 'One does not have to look far to discover the true cause of the situation. What we lack are moderate laws, firm guarantees for work, security for investments, and a social equilibrium. What we have in excess are radical laws, fantastic doctrines, social demoralization provoked by political deception, uncertainty regarding property, wages, conditions of life and education, and, above all, great lies advanced as gospel, and great errors disguised as principles of redemption. To the naked, incontestable facts of depopulation, misery in the fields, diminishing production, forced importation of food, clothing and medicines, there comes the persistent, increasing power of radical laws and means of restriction and regulation.' This from a Mexican source very near the seat of authority should be a conclusive answer to those American citizens who inveigh against American capital exploiting Mexico. The conditions described by Excelsior are not traceable to foreign capital. American investors have not made the radical laws, nor have they undermined the guarantees for work and security for investments. The trouble comes from within...."

Milk Legislation

The press of Feb. 1 reports that, attacking the Lenroot-Taber bill to regulate importation of milk and cream into the United States, Senator King charged in the Senate Jan. 31 that its "sole" purpose was to increase the price of milk to the consumers of New York and other great cities. The bill, which would apply sanitary standards like those of New York City to Canadian milk, was discussed for several hours and laid aside. Senator Lenroot, co-author of the bill, denied Senator King's statements that the measure would give American milk producers an opportunity to raise prices through combination. "I wish it were true," he said, "that milk producers and other agricultural producers could be put, through organization, on a basis with manufacturers and organized labor." Senator King urged that the bill would give the Secretary of Agriculture bureaucratic power to exclude foreign milk, and that it was "dangerous and usurpatory."

Nitrogen Production Plan

A New York dispatch to the press of Feb. 1 states that plans for the manufacture of fixation nitrogen production on an elaborate scale on a manufacturing site recently acquired at Hopewell, Va., were announced Jan. 31 by the Allied Chemical and Dye Corporation. The laboratory work which the company has been carrying on for the last five years, a statement said, justified the installation of large capacity in an effort to produce sufficiently large quantities to make the United States independent of importation of these products as units of fertilizer."

Preference Lists in Reemployment

The Washington Post for February 1 says: "Competent employees separated from service are to be given preference in reemployment, United States Civil Service Commission officials announced Jan. 31, and civil service employment registers are to be used first. Announcement followed that of President Coolidge Saturday night, that he had signed an Executive order requiring the commission to certify eligibles from reemployment instead of regular registers so long as there are eligibles on the former with necessary qualifications for positions to be filled. The present order amends those of November 29, 1918, and April 30, 1919, which provide for placement on reemployment registers of the names of competent employees separated from service by reason of reduction of force. It further provides that employees who are dropped must be recommended for further employment, because of demonstrated worth, by the office from which they are separated before their names can be placed upon reemployment registers....."

Waterways and the Farmer

An editorial in The New York Times for February 1 says: "Those who hate statistics should shun the latest report of the Department of Commerce on the economic aspects of the proposed St.Lawrence waterway . The building of great dams, the harnessing of surging rapids, the development of stupendous waterpower, all these are for engineers to discuss. Here is nothing to stir the imagination, at least of seaboard peoples. But the facts and figures contained in this austere Government report may well warm the heart of the Middle West farmer. For they tell him that if a deeper waterway is built from the lakes to the sea, he can ship his wheat to Liverpool at half current costs. The cheapest present combination of rates from Duluth to Liverpool is 17.6 cents a bushel. Over the St.Lawrence route it could travel for 8 to 11.2 cents a bushel; over the alternative route across New York State for 9 to 12.9 cents a bushel. That should make some of the best reading that has come the way of the Middle West farmer in many a weary year. He has recently been the victim of an economic distortion over which he has had no control. Increased railway rates since the war have forced him to pay from 6 to 12 cents more per bushel to reach world markets. Foreign farmers for the most part raise their crops close to ocean ports, and so are not penalized, because shipping rates are much the same as before the war. The report gives some interesting figures on comparative current freights rates. To ship a thousand bushels of wheat a thousand miles costs $175 to $225 by rail, $110 to $140 by New York State Barge Canal, $65 on the Mississippi River, $20 to $30 on the Great Lakes and $17 to $25 on the Atlantic Ocean. The obvious lesson of such statistics is that wherever practicable we should make a wider use of our waterways."

Section 3

MARKET QUOTATIONS

Farm Products

Feb. 1: Livestock quotations at Chicago. Hogs, top, $12.15. Beef steers choice $11.25 to $12.50; good $9.50 to $12, medium $8.25 to $9.75, common $6.75 to $8.25. Heifers, good and choice, $7 to $11, common and medium $5.75 to $8. Cows, good and choice, $6.15 to $7.75, common and medium $5.10 to $6.15, low cutter and cutter $4.35 to $5.10. Vealers, medium to choice, $10.50 to $14.50, heavy calves, medium to choice, $6.50 to $9. Fat lambs, medium to choice, $11.25 to $13.35, yearling wethers, medium to choice, $9.50 to $11.50, fat ewes, common to choice, $6 to $8.35; feeding lambs, medium to choice, $11.75 to $13.10. New York wholesale quotations on western dressed good grade fresh meats. Steer beef $15.50 to $16.50, veal $22 to $25, lamb $22 to $25, mutton $14 to $16, light pork loins $21 to $23, heavy loins $17.50 to $21.

Maine sacked Green Mountain potatoes $2.50 to $2.85 per 100 pounds in eastern cities; bulk stock $2-$2.05 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.20 carlot sales in Chicago; mostly $1.75 f.o.b. Waupaca. Michigan Round Whites $2.35-$2.50 in a few cities; $1.90-$1.95 f.o.b. New York Danish type cabbage $15-$22 bulk per ton in distributing centers; mostly $14 f.o.b. Rochester. Florida Wakefields $1-$2.15 per 1½ bushel hamper in the East. Texas Round type $2.25-$2.75 per barrel crate; $12-$15 bulk per ton f.o.b. Lower Rio Grande Valley Points. New York and Midwestern yellow onions $2.50-$3.25 sacked per 100 pounds in consuming centers; $2.50-$2.65 f.o.b. Rochester. New York Rhode Island Greening apples $3.50-$4.75 per barrel in city markets; cold storage stock $3.75-$4 f.o.b. Rochester. Baldwins ranged $2.75-$4. Michigan Jonathans $5-$6 in Chicago.

Average price of Middling spot cotton in 10 designated markets advanced 9 points, closing at 12.94¢ per lb. March future contracts on the New York Cotton Exchange advanced 8 points, closing at 13.33¢, and on the New Orleans Cotton Exchange they advanced 13 points, closing at 13.34¢.

Grain prices quoted: No.1 dark northern Minn. $1.40-$1.47. No.2 red winter Chicago $1.37. No.2 hard winter Kansas City $1.37. No.3 yellow corn Chicago 71¢; Minn. 74¢; Kansas City 73¢; No.3 white oats Chicago 41-48¢; Minneapolis 45¢; Kansas City 47¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 1,	Jan. 31,	Feb. 1, 1926
20 Industrials	156.26	156.41	156.83
20 R.R. stocks	120.76	120.83	110.42

(Wall St. Jour., Feb. 2.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 28 Section 1 February 3,1927.

IN CONGRESS The press to-day reports: "A virtual filibuster is threatening to tie up the Senate, with the object, it is suspected by some leaders, of forcing an extra session of the next Congress. Smith W. Brookhart of Iowa, who will be a member of the next Senate, is suspected of being the moving force in the efforts to force an extra session. He is said to be anxious to have the new Congress meet as soon as possible in order that the McNary-Haugen farm aid bill may be considered the earlier. Its chances, should an extra session be called, are regarded as excellent, whereas its passage at the present session seems exceedingly doubtful. A filibuster that would prevent the enactment of one or more of the annual supply bills would compel the President to convene an extra session.....Following conferences of leaders yesterday in which pending measures were discussed with a view to mapping out a program for disposition of them, it became apparent that there was little hope of getting them considered by unanimous consent. Senator McNary, co-author of the farm bill, late in the day served notice on the Senate that he would move tomorrow to fix a time to vote on the measure, efforts to reach an agreement having failed. He called attention to several other bills pressing for attention. Senator Pepper, ~~XXXXXXXXXX~~ of Pennsylvania, announced that he would move to-day to take up the McFadden-Pepper banking bill.

"The Senate reached an agreement to vote on Friday on the Taber-Lenroot bill for Federal inspection of milk imported from Canada, a measure of special interest to New York, New England, Ohio and Northwestern States. The bill was attacked by Senators Copeland of New York, Walsh of Massachusetts and King of Utah, one of the arguments being that it would enlarge bureaucracy at Washington and send more Federal agents on missions of law enforcement....Senator Copeland tried to get an amendment adopted requiring the Secretary of Agriculture, whose duty it would be to enforce the law, to accept milk standard certificates from municipalities, but was voted down, 44 to 32. Senator Walsh attempted to have the measure apply to interstate shipments of milk. This was defeated, 40 to 19. ...."

MUSCLE SHOALS BIDS REJECTED According to the press to-day, rejection of the bids of the American Cyanamid Company and the Farmers' Federated Fertilizer's Corporation for Muscle Shoals in their present form was agreed upon yesterday by the House military committee. A subcommittee was named to try to obtain revised proposals from the bidders.

NEW FOREIGN MINISTRIES The press to-day reports that the definite decision of the United States Government to establish legations at Dublin and Ottawa was announced yesterday by the State Department.

THE RADIO BILL At the request of Senator Borah, consideration of the conference report on the radio bill went over until to-day.

Section 2

Agricultural Problem

William Allen White is the author of an article entitled "Portrait of a Typical Farmer" in The New York Times Magazine for January 30. In this he says:"Two persons are to be distrusted who discuss the problem of the American farmer. First, he who denies the problem; second, he who thinks he can solve it. For the American farmer is his own problem. A number of external things contribute to his problem, but chiefly he is a problem because he insists upon being what he is...."

Business Conditions

The National City Bank of New York, in its statement for February 1, says: "The commonly accepted measures of business indicate that the country has made a good beginning on the new year. Trade has not started off with any great rush, but there has been a good upturn after the quiet period at the year-end and business is moving steadily in most lines.....The situation at the outset of 1927, it must be admitted, is not quite the same as at the outset of a year ago. We have had one more year of very heavy building operations which must of necessity bring us nearer to the time when building operations will undergo some decline. We have also had another year of heavy production in the automobile industry with indications that that industry also may not be able to continue without some interruption its record of year to year increases. Moreover, the decline in agricultural prices, particularly in the case of cotton, tends likewise to disturb the equilibrium of business. In certain other fundamental respects, however, the situation has not changed. The dominant sustaining factor continues to be the ease of the credit situation....."

Corn Borer

An editorial in Farm and Fireside for February says: "It is no exaggeration to say that twenty-five years from now the Corn Belt of the United States will be a thing of the past unless immediate steps are taken to check the European corn borer. What the boll weevil has done to the South is as nothing compared to what the corn borer can do. The boll weevil is serious in one crop only. The corn borer, on the other hand, attacks other field crops, vegetables and flowers in addition to corn. The corn borer is already half way across Michigan and Indiana in its devastating westward trek. It has worked eastward more than half way across Pennsylvania and New York. It has spread over northern Ohio and is headed South. This in spite of all efforts of State and Federal workers. A single dishonest tourist could carry infested sweet corn from the quarantined areas into the middle of the Corn Belt. Bootlegging of corn is already going on in the infested areas. Corn fodder containing borers, which can live under water, may be washed by floods into the Mississippi Valley. Ontario farmers have been forced to abandon corn-growing in the infested areas. Are American farmers ready to take that step? If not, they had better bestir themselves to check this enemy of our greatest crop."

Cotton Use in Tire Fabrics

Commerce Monthly (New York) for February contains an extensive article on cotton consumption in Tire Fabrics. This says in part: "Tire-fabric production in the United States now requires more than 500,000 bales of cotton a year. Several kinds of long-fiber cotton are used, that is 1 1/16 inch or longer, but the bulk of demand centers on staple 1 1/8 inch or over. In the earlier days of the industry only the finest combed Sea Island or Egyptian Sakellarides were used,

strength of staple being regarded as of prime importance in the manufacture of first-class tire fabrics. In some cases these fabrics showed a breaking strength of 300 pounds on warp and filling. But Sea Island was practically eliminated from the world's markets by the ravages of the boll weevil, and wide price fluctuations and the comparative scarcity of Sakellarides made it advisable to use other and more readily available kinds of cotton. Despite the strong fiber used, tires formerly gave but 5,000 to 6,000 miles of service and frequently less. But the industry learned through experiment that by increasing the twist a shorter staple cotton would serve with much more satisfactory results. To-day Egyptian uppers and American long staple are generally used, but the drift seems to be toward the American variety."

Milk in Chicago An editorial in The Chicago Dairy Produce for January 18 says: "At the time that the Chicago Commissioner of Health promulgated his order that no milk could be sold in Chicago except milk that came from herds that were proven free from tuberculosis, he announced that his next order in this line would be a prohibition of dairy products except from tuberculosis-free herds....Dr. G.L.McKay, secretary of American Association Creamery Butter Manufacturers, takes the position that pasteurization is a more effective way of guarding the public health, and no doubt will take the matter up without delay and try to convince the health commissioner that pasteurization will accomplish the required safety without creating such a disturbance as the line which the commissioner has marked out to follow. We commend Doctor McKay for getting on the job without delay, and we think the dealers should immediately begin a study of this matter so as to be prepared to meet the issue when it is before them."

New York Fur Auction The press of February 1 reports from New York: "So active was the demand for silver fox at the opening sessions of the twelfth annual winter fur auction at New York, Jan. 31, that sales reached $550,000. More than 96 per cent of that part of the record offering of 7,275 skins which came up during the day actually changed hands. Buyers represented all branches of the American trade, and there was also buying for European and Canadian account. Silver fox is in a strong style position this season and it was to this that the activity of the demand was attributed....The present collection contains a number of wild Alaskan foxes, but by far the greatest bulk of it is made up of skins taken from animals raised on American fox farms. Fully 6,000 of the pelts came from a single fox farm in Wisconsin...."

Nitrate Production An editorial in The New York Times for February 1 says: "After having spent $4,500,000 over a period of five years in conducting research, one of the richest American chemical manufacturing companies has decided to build at Hopewell, Va., what is destined to be the largest factory in this country for the production of nitrates. Thus is another blow leveled at Chile's old nitrate monopoly, broken for over a year by Europe's synthetic ammonia plants. The Hopewell factory is to be a self-contained manufacturing enterprise, which means that it will generate its own steam-electric energy. Evidently our fertilizer industry is not necessarily restricted to the utilization of cheap water power if it is to meet the once fearful competition of Chile. Until the Hopewell factory is completed the United States will probably remain Chile's last large nitrate customer. Our farmers and manufacturers buy annually 160,000 short tons of contained nitrogen from Chile—

over 50 per cent of the quantity exported. When it is considered that two great German companies produced last year 400,000 short tons of synthetic ammonia, it is probable that Hopewell alone may ultimately manufacture as much fixed nitrogen as we have hitherto imported from Chile...."

Redwood Conservation

Alfred Holman, writing from San Francisco to The New York Times of January 30, states that the movement to save the California redwoods has, within the week, advanced to the stage of appeal to the State for funds to purchase typical tracts in the several forest areas. The appeal is in the form of three legislative measures originating with the Save the Redwoods League and which have the backing of an active public sentiment.

Wool Market

The Commercial Bulletin (Boston) for Jan. 29 says: "The opening of heavy weight staple goods by the American Woolen Company at a slight advance, generally about 2½ cents a yard over July prices, and the strengthening tendency in the foreign markets has given added confidence to the domestic market, and quotations are fully firm on the basis of last week's quotations, with some asking prices slightly dearer. The broadening of the contracting movement in the West has been a matter of very considerable interest in the trade. Generally prices paid have been in the range of 30 to 35 cents, according to the wool and the section, with a high point of 37½, possibly 38 cents in Texas for the very choicest wools. The latter wools it is estimated will cost somewhere from 95 cents to $1, clean basis, landed Boston, possibly a bit more occasionally. The goods market is responding cordially to the opening goods prices named by the American Woolen Company."

Section 3

Department of Agriculture

In an editorial on Secretary Jardine's recent address at Topeka, Kans., the Topeka Capital for January 31 says: "For the first time in a good many years the place of honor in Kansas Day oratory was taken this year by a speaker in full sympathy with Kansas ideas--Secretary Jardine, former president of the State Agricultural College. The Secretary of Agriculture knows Kansas and its interests. In his Kansas Day address he avoided the one topic, the McNary-Haugen bill, on which he and the Kansas farm organizations and the Kansas delegation in Congress are not in agreement, but his sympathy with Kansas agriculture in its present situation has at all times been sincere and earnest, and as the head of agriculture in the United States he and the Department of Agriculture are working along cooperative lines for the permanent benefit of the farm industry. His Annual Report in The Capital's opinion was the most constructive in the history of the department. The McNary-Haugen bill is one line, but there are others of vital importance, and not inconsistent with this project, upon which Secretary Jardine is laboring for the welfare of the farm. Secretary Jardine's address was worthy of Kansas Day. His tribute to Kansas, to Kansas farmers and to the ideals and the spirit of the State has never been surpassed in a Kansas Day celebration...."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 2: Livestock quotations at Chicago. Top price of hogs at $12.15.

Maine sacked Green Mountain potatoes $2.60-$2.85 per 100 pounds in eastern markets; bulk stock mostly $2-$2.05 f.o.b. Presque Isle. Wisconsin sacked Round Whites $2-$2.20 carlot sales in Chicago; $1.70-$1.75 f.o.b. Waupaca. New York Danish type cabbage at $15-$23 bulk per ton in terminal markets; $12-$14 f.o.b. Rochester. Texas domestic type $25-$45 in midwestern cities; $10-$14 f.o.b. Florida pointed type $1-$1.75 per 1½ bushel hamper. Midwestern yellow onions $2.75-$3.25 sacked per 100 pounds most markets except Chicago. New York Rhode Island Greening apples $3.50-$4.75 per barrel in leading markets. Cold storage stock $3.75-$4 f.o.b. Rochester. Michigan Jonathans $5-$6 in Chicago.

Closing prices on 92 score butter: New York 50¢; Chicago 49½¢; Philadelphia 51¢; Boston 50½¢.

Closing prices at Wisconsin primary cheese markets Feb. 1: Single Daisies 25½¢; Longhorns 26¢.

Average price of Middling spot cotton in 10 designated markets advanced 3 points, closing at 12.97¢ per lb. March future contracts on the New York Cotton Exchange advanced 4 points, closing at 13.37¢, and on the New Orleans Cotton Exchange they advanced 3 points, closing at 13.37¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.48. No.2 red winter Chicago $1.38; St.Louis $1.40. No.2 hard winter Chicago $1.44. No.4 yellow corn St.Louis 69 cents. No.3 yellow corn Chicago 71 cents; Minneapolis 74 cents. No.3 white oats Chicago 44 cents; St.Louis 46 cents; Minneapolis 45 cents. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 2,	Feb. 1,	Feb. 2, 1926
	20 Industrials	154.80	156.26	157.95
	20 R.R. stocks	122.65	120.76	111.25

(Wall St. Jour., Feb. 3.)

DAILY DIGEST

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Vol. XXIV, No. 29 Section 1 February 4, 1927.

MCNARY-HAUGEN BILL

The press to-day reports that the McNary-Haugen bill gained the right of way in the Senate yesterday by a powerful combination of Senators advocating farm relief and backers of the McFadden branch banking bill, who voted 66 to 14 to make it the unfinished business and are now prepared to invoke closure to compel early final action on both measures if filibustering is attempted.

THE RADIO BILL

The press to-day says: "Objections that the conference report on radio legislation did not contain a declaration that the United States 'owned' the air prevented its adoption by the Senate yesterday and postponed further consideration until to-day. Senator Dill, in charge of the bill, declared in reply to interrogations by Senators Howell and Heflin that the bill's control over licenses for wave-lengths and character of apparatus used would be entirely effective and accomplish the same purpose as any declaration that the United States 'owned' the air, which would, after all, be ineffective, because the United States could not prevent Canada or Mexico from broadcasting radio messages across the United States."

SEED LOAN BILL

The press to-day reports that an attempt to bring the Norbeck seed loan bill to a vote in the Senate yesterday failed.

IMMIGRATION LEGISLATION

The press Feb. 3 reports: "Adoption of the joint resolution recently passed by the Senate to permit the admission as non-quota immigrants of alien husbands of women who are American citizens, with a number of amendments to further liberalize the immigration laws, was recommended to the House by its immigration committee Feb. 2. Most important among the amendments suggested is one practically wiping out the preference of farmer immigrants and according priority, up to at least 90 per cent of the quota allotted to any country, to relatives of naturalized American citizens and alien residents in the United States who have declared their intention of becoming citizens...."

BOULDER DAM URGED

The press to-day says: "Due to the growing menace of floods, the Imperial and Yuma Valleys in California and Arizona are threatened by a 'disaster of drastic proportions,' according to information conveyed yesterday to Addison T. Smith of Idaho, chairman of the House committee on irrigation and reclamation, by Dr. Elwood Mead, head of the Bureau of Reclamation of the Department of the Interior, who declared that the early construction of the Boulder Canyon dam was the one thing that would minimize the Colorado River danger...."

Section 2

Farm Real Estate Survey

An editorial comment in The Michigan Farmer for Jan. 22 says: "There is, apparently, a definite trend toward the farm on the part of country people who left the farm during the depression. This is shown by a real estate survey conducted by the National Association of Real Estate Boards which based its findings on reports from 127 rural sections. This survey indicates that the principal reason for the increase in farm real estate activity is that people generally believe that farm land prices have gone as low as they will, and are beginning to take a turn upward....This Nation-wide survey, which mentions the north central section as being one of the most active in farm land sales, brings further substantiation that the tide has turned toward the better for agriculture. The fact that farm land inquiries are increasing will lead many farmers who have been trying to sell during the past few years to let go of their farms. From an investment standpoint that is not considered wise, as indications are that values will increase, and to sell now will mean that the farm was disposed of at a near-bottom price. The man who buys will be the gainer in the increase in land values, not the seller who has stood the stress and strain of the recent depression."

Florida Real Estate

Stanley L. McMichael, editor and publisher of "Principles of Real Estate Appraising," is the author of an extensive article on real estate values in Commerce and Finance for Feb. 2. In this he says: "Florida recently staged the greatest real estate boom in all history. That episode represented the largest migration of human beings the world has ever seen, far eclipsing even the California rush of 149, when the lure was gold, not land. Land booms have nearly always preceded or accompanied the opening of new territories throughout America. Cheap, undeveloped land in Florida, linked with a tropical climate, was largely responsible for the beginning of that orgy, which ended with a total collapse of so-called 'values' a few months ago. As a matter of fact, the excessive values never did exist in Florida, for the boom there was one manufactured largely by speculators who sold to each other, incidentally inflaming unwary visitors with the fever of greed. The boom suffered an utter collapse when it was discovered that, economically, the land could not support a reasonable return on the prices asked, and sometimes paid, for it. Real estate differs from stocks and bonds in that it is sometimes charged with being a 'frozen asset.' As a matter of fact, that is, perhaps, its chief virtue. In a fever of speculative excitement, it can not be as readily converted into cash for purposes of unwise speculation as many more mobile forms of credits. Many a person has succumbed to a speculative debauch only to conclude his operations with most of his real estate left intact, the only commodity of intrinsic value which he could not readily gamble away."

French Agriculture

Official figures transmitted to the Bankers Trust Company of New York by its French information service show that the year 1926 was far from favorable for French agriculture. Owing to a cold and rainy spring followed by an exceptionally dry summer, the wheat crop amounted to only 67,659,730 metric quintals instead of the 89,904,820 which had been expected and which would have very nearly covered the country's requirements. The annual consumption of wheat in France is estimated at 90 million metric quintals. The drought has resulted in a reduction of 33 per cent in the fodder crop with a consequent decline in cattle

breeding. At the beginning of 1926 France's bovine livestock, according to the Academy of Agriculture, totaled 14,373,000 head but the shortage of green fodder will probably reduce this number before the spring. The French vineyards have also suffered from unfavorable weather conditions. While from 1921 to 1925 the average yearly production was 60,194,898 hectolitres, in 1926 the total wine output amounted to 40,564,101 hectolitres.

London Wool Sale

An Associated Press dispatch from London February 3 states that at the wool sales of February 2 11,755 bales were offered, of which 11,000 were sold. There was good general bidding and the auctions closed firm and active. Compared with the close of the previous sales, superior merinos were 7½, medium 5, inferiors par to 5, crossbreds, fine, 5; medium and coarse par to 5, Puntas 5, and Capes par to 5 per cent dearer. The Continent took 56,500 bales, the home trade 43,500 and America 3,000; a total of 21,000 bales was held over.

McNary-Haugen Bill Operation

"How McNary-Haugen Bill Would Work--The 1926 Rice Crop Used as an Example" is the title of an article by C. E. Carnes, vice president of the Rice Farmers Credit Association, Inc., in Commerce and Finance for Feb. 2. This says: "The 1926 crop in the three States (Louisiana, Arkansas and Texas) is approximately 9,000,000 barrels of rough rice. Under the present plan the 9,000,000 barrels must be sold at world prices for $4 a barrel and less, making a total return to the farmer, for a crop of 9,000,000 barrels, $36,000,000. Under the McNary-Haugen plan the 9,000,000 barrels would sell for $5 per barrel or $45,000,000. But since the total crop is 9,000,000 barrels and domestic consumption including our insular possessions is approximately 8,000,000 we would sell the surplus of 1,000,000 barrels for $4 a barrel or a loss of $1 a barrel on a million barrels, making a total loss of a million dollars. This total loss of $1,000,000 would be assessed against the entire crop of 9,000,000 barrels, causing a loss of about 11 cents on each barrel of the entire crop to offset a loss of $1 a barrel on a million barrels. This loss of a million dollars would therefore have to be deducted from the $45,000,000, leaving $44,000,000 net for the crop under the new plan or a gain of 89 cents per barrel, or a total gain to the rice farmers of the three States of approximately $8,000,000. The $5 per barrel basis assumed as the price under the new plan is taken because it is the lowest price at which our rice would have to be sold by the farmer to compete in America with foreign rice of sufficient quality to be our competitor in the markets of the United States. Last year the farmer sold his rough rice up to $5,50 and $6 per barrel before the clean rice price was sufficiently above the tariff wall to be attractive to foreign competition in our markets. This price is as low as we believe rough rice would have to sell to keep foreign competition out of our markets....Many of our best exporters know that a stable market both in America and Europe will enable us to sell our rice for at least cost of production and leave us enough margin to pay interest, taxes and maybe interest on investment; we are also sure that a stable market for our rice in Europe which this bill makes possible, through a central export corporation, will bring the price received for export rice very nearly to the level made possible by our present tariff."

New York Fur Sale

The New York Times for February 3 reports that wolf and white fox brought out the most active bidding February 2 on the third day of the annual winter auction of raw furs at New York. Although wolf showed a smaller percentage of gain over the fall sale prices than white fox, buyers' interest in the former appeared greater than in the latter. Lynx, wild cat, beaver and otter also sold well. Sales for the day were $500,000, which brought the total for the first three days to $1,500,000.

World Rubber Supply

The press of February 2 says: "A world rubber supply for 1927 of approximately 540,000 tons is estimated by British rubber authorities, according to unofficial advices received in Washington. This figure is based upon the limitation of exports of British controlled rubber to 80 per cent of the two following quarters. This would release for export 270,000 tons of an estimated standard production of 400,000 tons in Malaya and Ceylon. British estimates place the standard production for the restriction year 1926-27 at 325,000 tons for Malaya and 75,000 tons for Ceylon, with a production of 210,000 tons in the Dutch East Indies where British owned plantations have voluntarily restricted their production more or less in accordance with the Stevenson Act quotas. Other plantation production throughout the world is estimated at 35,000 tons, with Brazilian production placed at 28,000 tons and other wild rubber at 10,000 tons, a total possible production of 683,000 tons...."

Section 3

Department of Agriculture

1 An editorial in the Progressive Farmer for January 22 says: "'One of the main disadvantages that southern farming has faced,' says Secretary W.M.Jardine, in a recent clear and discerning statement on the cotton crisis, 'is that it has been on a year-to-year basis instead of a long-time program.' Here in this one sentence a real situation is portrayed as truly as if by a photograph. While in every cotton State a few pioneer agricultural thinkers have broken away from the one-year cycle in favor of the three-, or five-, or ten-year cycle of farming, it, nevertheless, remains true that the hand-to-mouth system of just making a crop from year to year is yet conspicuous among the big disadvantages which have too long handicapped southern farming.....The truth brought to mind afresh by Secretary Jardine's statement should take deep root in our farm thinking and farm planning for the next three or five years at least. It should not be forgotten for a single day....."

2 In an editorial on the cotton crop reports, the Progressive Farmer for January 22 says: "Each year, the long-continued fight on the cotton crop reports of the United States Crop Reporting Board is renewed with increased disregard for truth and the rights of producers. In recent years, the attacks have been on the frequency of the reports but prior to the starting of the semi-monthly reports the fight was on the monthly reports and their accuracy. It would seem that the most casual observer of the source of these attacks on the semi-monthly cotton crop reports ought to be able to plainly see the motives behind these attacks....To give the producers equal knowledge with the buyers as to the probable supply of cotton would be sufficient justification for continuing these reports and making them

as accurate and frequent as practicable; but there is at present an even greater reason for these frequent or semi-monthly reports. Owing to facilities now being used by private concerns for collecting crop data, the large numbers of private crop reports issued and the machinery for speculation furnished by the exchanges, probably the greatest good which the official crop reports now serve is to protect producers against speculative fluctuations in prices based on private, biased reports and their exploitation by the speculators on the cotton exchanges....Again, we must, on behalf of the cotton producers, ask our readers to write their Congressmen and Senators to please use their utmost influence to protect the cotton crop reports from any molestation or change. No change is asked for the purpose of improving them, but for the sole purpose of destroying their value and the protection which they give producers against a multitude of private, biased, and inaccurate reports....."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 3: Livestock quotations at Chicago. Top price of hogs at $12.30.

New York Danish type cabbage ranged $15-$25 bulk per ton in terminal markets; $11-$13 f.o.b. Rochester. Texas round type $2-$2.75 per barrel crate in a few cities. Maine sacked Green Mountains $2.50-$2.85 per 100 pounds in eastern cities; bulk stock mostly $2 f.o.b. Presque Isle. Wisconsin stock at $2-$2.20 carlot sales in Chicago; few $1.70-$1.85 f.o.b. Waupaca. New York Rhode Island Greening apples $3.75-$4.75 per barrel in leading markets. Baldwins $2.75-$4; cold storage stock $3.25 f.o.b. Rochester. Michigan Jonathans $5-$6 in Chicago. New York and Midwestern yellow onions $2.50-$3.25 sacked per 100 pounds in consuming centers; few $2.50-$2.65 f.o.b. Rochester.

Closing prices on 92 score butter: New York 50½¢; Chicago 49½¢; Philadelphia 51¢; Boston 50½¢.

Closing prices at Wisconsin primary cheese markets Feb. 22: Single Daisies 25¼¢; Double Daisies 25¢; Longhorns 26¼¢; Square Prints 26½¢.

Average price of Middling spot cotton in 10 designated markets advanced 10 points, closing at 13.07¢ per lb. March future contracts on the New York Cotton Exchange advanced 11 points, closing at 13.48¢, and on the New Orleans Cotton Exchange they advanced 9 points, closing at 13.46¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.48. No.2 red winter Chicago $1.37; St.Louis $1.40. No.2 hard winter Kansas City $1.37. No.3 yellow corn Chicago 71 cents; St.Louis 77 cents; Minneapolis 74 cents; Kansas City 73 cents. No.3 white oats Chicago 41-46 cents; St.Louis 45 cents; Minneapolis 45 cents; Kansas City 47 cents. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 3,	Feb. 2,	Feb. 3, 1926
	20 Industrials	154.94	154.80	159.40
	20 R.R. stocks	123.03	122.65	111.03

(Wall St. Jour., Feb. 4.)

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DAILY DIGEST

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Vol. XXIV, No. 30 Section 1 February 5, 1927.

THE MCNARY-HAUGEN BILL The Associated Press to-day reports: "The legislative battle over farm relief was renewed yesterday in the Senate with Chairman McNary of the agriculture committee explaining his proposal to levy an equalization fee to dispose of surplus crops. He immediately drew fire from the opposition camp, led by Senator Fess of Ohio, who declared the measure would have to provide for price fixing if the Government was to be protected from loss by operation of the equalization fee....Managers of the measure, sponsored jointly by Senator McNary and Chairman Haugen of the House agricultural committee, so far, have declined to accept the insurance plan on the contention that it would require amendment of the farm banking laws which could not be effected at this session. Supporters of the bill, which will be taken up by the House next week, believe its position has been improved materially by the decision to include tobacco as one of the basic agricultural commodities along with corn, wheat, hogs, rice and cotton. They claim to have obtained the support of several Senators from tobacco-growing States and predict that if members from cotton States can be satisfied the bill will be passed. In his speech opening debate, Senator McNary declared the measure was necessary to economically equalize agriculture with industry, as operation of the law of supply and demand has been blocked by both the tariff and immigration laws...."

THE MILK BILL The press to-day reports that the House bill to regulate the importation of milk and cream was passed yesterday by the Senate with amendments. The bill was approved 51 to 27. The proposal known as the Lenroot-Taber bill would authorize a $50,000 appropriation for the Secretary of Agriculture to establish control over milk importation. All importers would be required to have permits; shipments would be inspected to insure purity and receipt of milk in this country, unless authorized by the Secretary, would be made unlawful.

CORN BORER BILL The Senate yesterday passed the House bill appropriating $10,000,000 for the eradication of the European corn borer, according to the press to-day.

TAX LEGISLATION The press to-day reports: "Democratic hopes to force tax reduction at the present session of Congress ended yesterday, when the Senate adopted, by a vote of 46 to 33, a resolution by Senator Norris that it was the 'sense' of the Senate that any surplus in the Treasury should be applied to reduction of the national debt."

COTTON CENSUS BILL The press of February 4 says: "A bill authorizing the Secretary of Agriculture to take a census of baled cotton, known as the 'carryover,' on hand on August 1, 1927, and to make and publish a report thereof has been passed by the Senate....."

Section 2

Butter Scoring Contests An editorial in Hoard's Dairyman for January 25 says: "The keen rivalry between the States of Minnesota and Iowa in the recent butter scoring contest held at the annual meeting of the National Creamery Buttermakers' Association created considerable excitement. It was first reported that Iowa had won, and they celebrated the occasion. Later it was found that Minnesota had won by so small a margin that it was necessary to go to the second decimal place to find the difference in the score of the ten highest entries from Minnesota and Iowa. The Gopher State carried away the banner for the first time since 1922....The development of a good cold storage system and improved methods of making butter have made it possible to put away the summer surplus and then market it in the winter in about as high a state of perfection as when it went into storage. This improvement in manufacturing and storing butter, together with more winter dairying, has had a tremendous influence in stabilizing the prices of dairy products. Buttermakers' conventions and butter scoring contests have helped to bring about this improvement in the dairy industry."

Cotton Acreage An editorial in The Wall Street Journal for February 4 says: "How shall a reduction be effected of the cotton area for 1927? This is a problem in whose solution not only the growers themselves are concerned, but also those who are directly or indirectly connected with the raw cotton trade and with the general prosperity of the South. Department of Agriculture makes the conclusion, basing it on the past relation of prices to supplies, that an 11,000,000-bale crop in 1927 would be the size that should result in the maximum income to the growers. The department shows that with a probable world carryover of American cotton when the new season begins August 1 of from 8,500,000 to 9,000,000 bales, and with a yield per acre in 1927 equaling the 10-year average of 157 pounds, it will be necessary to curtail acreage 30 per cent from last year in order to get the size of the crop down to the desired figure of 11,000,000 bales without linters. As a group, cotton farmers are strongly for acreage reduction. As individuals, however, many would prefer to leave the question of curtailment to their neighbors, and this is true even in the older sections of the belt where high costs of production that in many instances obtain make it certain that a loss will be incurred if the total crop is fairly large. The cotton farmer's conservatism, or rather inertia, makes him inclined to plant as much cotton as he can finance and cultivate....But the cotton growers whose costs are high hurt not only themselves by planting too much cotton. By raising the total acreage to an excessive figure, thus producing at a loss cotton that goes to swell the total production, they bring economic distress upon growers who might otherwise have made a fair profit, and upon the whole business structure that is dependent upon successful cotton growing. Here is where the duty devolving upon the banks and others who want credits to the growers becomes a public duty. Before they engage to finance the farmer, bankers should insist that he agree to reduce acreage and to raise sufficient food and forage crops for home use. If this is done, not only may high-cost farmers be kept from bringing ruin on themselves, but other farmers will be able to make a fair margin of profit, and business centers of the South will be kept out of the slough of economic distress."

Fertilizers "Fertilizer materials have heretofore been sold and applied separately in Europe to a greater extent than in the United States, where factory mixing is the rule. Lately the Germans have developed concentrated mixtures carrying two or three plant foods. These mixtures will undoubtedly have some influence on farm practice, and will interfere more or less with the sale of the constituent fertilizing elements. This is probably the impelling cause for the formation of an international association of superphosphate manufacturers, which was accomplished in London a few weeks ago....The producers of phosphate rock and the manufacturers of acid phosphate in this country have watched the preliminary steps which led up to the organization of the association, but so far as is known have made no move to join. There is a large sale of Florida rock in Europe, and membership in the European association may become desirable for the producers of export rock. The association is not likely to influence the American market, except through the results of research." (The American Fertilizer, Jan. 22.)

McNary-Haugen Bill An editorial in The Baltimore Sun for February 4 says: "The Department of Agriculture estimates that the cotton carry-over will amount to from 8,500,000 to 9,000,000 bales. As world consumption rarely runs above 15,000,000 bales, the discussion in Congress over what the McNary-Haugen bill proposes to do for cotton will be followed with interest. Advocates of this measure insist that in the case of wheat, rice, corn, swine and other basic products purchase of the surplus will maintain prices at home, while the tariff will keep out imports. The farmer will then proceed to lift himself by his bootstraps through the operation of an equalization fee, paying out of it losses incurred in buying, holding or dumping the surplus. In some mysterious way, this fee or tax is also supposed to discourage overproduction. The theory would be more understandable if the tax bore equally on all. But one farmer will starve on prices for his products which mean profit for another. Nobody has explained what is going to prevent the farmer who operates cheaply from reaping a golden harvest and piling up larger and larger surpluses. That is what he will do. But there is to be no equalization fee at all on cotton in the beginning. The surplus is to be taken off the market without it. As the coming season starts with a surplus of approximately 9,000,000 bales, a respectable crop in itself, the whole revolving fund of $225,000,000 would hardly seem to be enough to take care of the cotton situation unless acreage is drastically reduced. If emphatic warnings of the inevitably disastrous effect on prices of another large crop will not serve to deter raising one, what can be anticipated from any scheme which promises a fair price in any and all circumstances?"

Paper Product Standardization The press of February 3 reports that Norman W. Wilson, president of the American Paper and Pulp Association, announced Feb. 2 that as a result of the association's participation in the twenty-fifth anniversary celebration of the Bureau of Standards, it had arranged to cooperate actively in the standardization of sizes and classification of paper products. As the association includes almost every paper plant in the country, its action determines the practice of the trade.

Rayon

The Wall Street Journal for February 3 says: "Within recent years an infant industry was brought to the United States, wrapped in swaddling clothes of silklike texture. Marvelous has been the infant's growth. In 1913, it weighed only 1,500,000 pounds, but at the end of 1926 it tipped the scales at 61,000,000. This is the infant which in 1924 its sponsors christened 'Rayon', and whose phenomenal growth attracted the attention of the investing public. That the infant is bound to become a giant seems a fair conclusion. An output of 61,000,000 pounds of rayon yarn in 1926 was not sufficient to satisfy domestic demands, and 10,000,000 more were imported. In addition, rayon goods to the value of $12,000,000 were imported, and also a considerable poundage of waste was brought in. In our consumption of textiles, rayon now takes the third place. These statistics show that rayon is making a strong appeal to our people. It is doing the same in other countries. Even in the Orient, the home of animal silk, it is getting a foothold. It is a fair inference that the industry will continue to expand so long as people desire something in the textile line that is both beautiful and cheap. This means much for the plants already established that are sufficiently capitalized and equipped for large-scale production and are properly situated and managed....."

Russian Conditions

The New York Times of February 3 reports that William H. Hamilton, assistant vice president of the Guranty Trust Company of New York, who has just completed a three months tour of Russia, says: "The Russians are conducting the greatest experiment that the world has ever known," he said, "and without agreeing with the principles of the Soviets, it is necessary to admit that they are doing amazing things. The Government works on a large scale on the basis of State capitalism. In this country we think it is a big enough job to be head of a single railway or a big bank or an enormous oil company. In Russia one man is at the head of all railroads, another of all banks, and a third of all oil companies. Stalin is the most important man in Russia and virtually the head of it, although he is not even in the Government, but is the Secretary of the Communist Party. Trotzsky, whatever you hear, will always be a factor. Since he is Commissioner of Concessions, we did most of our business with him and it is impossible to talk to him and not be impressed with his capacity, vigor and energy. There is no ragged proletariat in Russia but a well-ordered country."

Section 3

Department of Agriculture

An editorial in to-day's Washington Post says: "While there is as yet no sign of open hostilities between the War Department and the Department of Agriculture, it might be well for the former to watch out. The War Department has only recently entered the list of publicity seekers, although the Navy, the Post Office and the Department of Justice have maintained 'press agencies' for some time. Commerce and Interior have not lagged in the background in the race for space in the newspapers, while Labor's mimeograph and printing press are oiled up and ready for action five days in each week. When it comes to producing publicity, however, the Department of Agriculture is admittedly entitled to the blue ribbon. Therefore, when the War Department gets to putting out news about poultry it appears to be encroaching on dangerous ground, and Mr. Jardine's young men are likely to retaliate with a few bulletins on ballistics, mass formations or some other

purely military subject. If a doubt exists as to the ability of the department to do this, the doubter has only to read the brochures from the Mall, which take all knowledge as their field. The War Department's poultry bulletin deals with the history of pigeons, exclusively, and even with pigeons there is a limitation. Nothing is told about runts, pouters, fantails or any other breed but Homers. They are the birds which the War Department is interested in.....This afforded the War Department the excuse for putting one over on the Aggies, and the bulletin shows how well the opportunity was improved....."

Section 4

MARKET QUOTATIONS

Farm Products Feb. 4: Livestock quotations at Chicago. Top price of hogs at $12.60.

Maine sacked Green Mountain potatoes $2.50-$2.85 per 100 pounds in eastern cities; bulk stock mostly $2 f.o.b. Presque Isle. Wisconsin stock $1.90-$2.15 carlot sales in Chicago; few $1.65-$1.80 f.o.b. Waupaca. Midwestern yellow onions $2.50-$3.15 sacked per 100 pounds in leading markets; $2.75-$2.90 in Chicago. New York Rhode Island Greening apples in New York City at $4.50 per barrel; $3.75-$4.75 in Middle West and $3.85-$3.90 cold storage stock f.o.b. Rochester. Delaware and Maryland yellow sweet potatoes $1.25-$1.40 per bushel hamper in the East. Tennessee Nancy Halls $1-$1.25 in the West.

Closing prices on 92 score butter: New York 51½¢; Chicago 49½¢; Philadelphia 52¢; Boston 51½¢.

Closing prices at Wisconsin primary cheese markets Feb. 3: Flats 25½¢; Single Daisies 25¼¢; Double Daisies 25¼¢; Longhorns 26¼¢; Square Prints 25¼¢.

Average price of Middling spot cotton in 10 designated markets advanced 24 points, closing at 13.31¢ per lb. March future contracts on the New York Cotton Exchange advanced 23 points, closing at 13.71¢, and on the New Orleans Cotton Exchange they were up 24 points, closing at 13.70¢.

Grain prices quoted: No.1 dark northern Minneapolis $1.41-$1.48. No.2 red winter Chicago $1.38; St.Louis $1.39. No.4 yellow corn St.Louis 69¢. No.3 yellow corn Chicago 72¢; Minneapolis 74¢. No.3 white oats Chicago 44¢; St.Louis 45¢; Minneapolis 45¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 4,	Feb. 3,	Feb. 4, 1926
20 Industrials	154.94	154.80	159.40
20 R.R. stocks	123.02	122.65	111.03

(Wall St. Jour., Feb. 5.)

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DAILY DIGEST

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Vol. XXIV, No. 31 Section 1 February 7, 1927

MCNARY-HAUGEN BILL

The Associated Press to-day says: "Farm relief, as exemplified in the McNary-Haugen bill, will occupy the attention of both Houses of Congress this week, with strong indications that the legislation soon will reach President Coolidge for his approval or disapproval....."

The New York Times to-day says: "Whether President Coolidge will veto the McNary-Haugen bill if, as now seems probable, it is passed by Congress, is a question that is being widely discussed in political circles. The bill, which embodies a system of price-fixing to force up the domestic prices of farm products by conserving the surplus, is regarded as one of the great problems that Mr. Coolidge has faced. Political leaders see in his decision an outstanding issue in the national campaign of 1928....The situation apparently has developed to a point where, unless the administration acts promptly, the conservative Republicans see no way of overcoming the lead the farm bloc has gained in Senate and House by trading on other legislation. It is reported, however, that Representative Ogden L. Mills of New York, who has been appointed Under Secretary of Treasury, recalled his resignation from the House to lead the opponents of the bill, who are hoping his resourcefulness will go far to overcome the efforts of the farm bloc in the House. According to reports current yesterday, President Coolidge is hopeful that the bill will not reach his desk and make it necessary for him to pass upon features of the measure he has characterized as economically unsound...."

WUNDER PROTESTS FARM BILL

The New York Times of February 6 reports: "The farm relief bill before Congress threatens the marketing and distribution of crops, it is contended in a protest telegraphed February 5 to United States Senators and Congressmen from New York and New Jersey by B. H. Wunder, president of the New York Produce Exchange. Mr. Wunder decried the bill as class legislation and expressed the view that it would increase production until the agricultural industry collapsed."

THE RADIO BILL

The press of yesterday states that a final vote on the conference report on radio-control legislation was again delayed in the Senate Feb. 5 when Senator Pittman moved to recommit the bill with instructions to the Senate conferees to remodel it in essential particulars. While the motion prevented immediate action, a tentative agreement was reached to use two hours to-day to decide on a definite time for the vote.

PRESIDENT ADVISES ECONOMIC PARLEY PARTICIPATION

The press Feb. 6 reports: "American participation in the Geneva economic conference called by the League of Nations was recommended to the Senate Feb. 5 by President Coolidge. Requesting an appropriation of $15,000 for the expenses of delegates to the conference, which will begin on May 4, the President said that 'this country should stand ready to aid in the study of means to promote economic progress.'...."

Section 2

Cotton Carryover Census

An editorial in The Journal of Commerce for February 5 says: "One can not help but wonder just what the cotton planter interests in Congress hope to gain for their constituents by the cotton carryover census that they have induced the Senate to provide for. Figures of this sort cost money that somebody has to provide, and are of value to the growers only if the usual statistics and estimates are substantially inaccurate. That any such thing is actually the case few if any in the business community believe. Much more apt is it to prove when all the work is done on the census in question, if it actually is taken, that the results are about in keeping with the estimates of the better informed elements in the trade. It is indeed strange that the thought will not die out that in some mysterious way the Government in Washington can do wonders for the farmer by collection and distribution of crop and other kindred statistics. Certainly it is greatly to be doubted if cotton planters or any other agricultural groups have been particularly benefited by much of the 'information' that the statisticians at Washington have been for years providing. In some cases at least positive harm has been done by reason of the fact that material sent out from the Capital has not been and, in the nature of the case, could not be depended upon to be in accord with the actual facts of the situation. The time will come no doubt when a clearer and saner view of these matters will prevail, but it has not arrived as yet."

Farm Loan Bank for Peru

The Associated Press February 4 states that Peru is to have a farm loan bank system and has engaged an American expert to establish it. George H. Stevenson, former president of the Baltimore Farm Land Bank and for the past three years attached on special duty to the Federal Farm Loan Board, has been engaged to act in an advisory capacity to President Leguia of Peru in establishing the rural credit system.

Federal Employees Reduction

The press of February 4 reports that reduction of civil service personnel during the last six months of 1926 resulted in dropping 1,242 employees in the District of Columbia, according to figures made public by the Civil Service Commission. During the same period 14,364 employees were dropped throughout the country. There were 60,811 civil service employees in the District June 30, 1926, the figures show. December 31 there were 59,569. The national total June 30 was 560,705; December 31 it was 546,341. The reduction in the District the whole of 1926 was 1,940.

Jewish Farmer Increase

Jewish farmers in the United States are making steady progress, according to the annual report of the Jewish Agricultural Society, made public February 3 by Gabriel Davidson, general manager. Since 1900 the society, according to the report, has made 8,360 loans, aggregating $5,310,215, in forty States. Last year loans were made to 454 farmers in eighteen States. Repayment of loans is spread over a long period of years. No bonus or commission is charged and there are no renewal fees. The society's Farm Labor Department has obtained farm work for 15,510 Jewish young men since 1908. Last year it placed 588 men as farm workers. The department aids young Jews in acquiring practical agricultural experience and many of them acquire farms of their own. The report says the Jewish farm population in the

United States has grown from 1,000 in 1900 to 75,000 in 1927. One million acres are being farmed by Jews and the value of their real and personal property is more than $100,000,000.

McNary-Haugen Bill — An editorial in The Baltimore Sun for February 5 says: "Agreement having been reached in both House and Senate to take a vote on the McNary-Haugen bill, Washington dispatches say that 'only a legislative miracle' can prevent passage in both. Thus far whatever miracles are in evidence appear to be working in favor of the measure, a coalition between advocates of the McFadden banking bill and farm-relief legislation, the last thing to be expected, seeming to be responsible for expediting action on them. There is much to be said for putting to the test sentiment of Congress on a bill which has been so long under consideration and so thoroughly debated as the McNary-Haugen bill. The farmers have a right to a showdown. There is surprise, however, at the cocksureness with which their representatives speak of having their fight won. The same principles are at stake which both Senate and House repudiated in the last session. The same argument holds against the economic fallacies of the measure, the same doubt as to its constitutionality and the same misgivings as to the practicability of its operation. The Nation is left to guess, in the circumstances, whether our statesmen have lost their fears of this vast new addition to bureaucracy, this enormous extension of Government participation in business and further centralization of authority in Washington, or whether they have grown tired of standing out against the farmer and are ready to pay any price for peace...."

Michigan Bank Closed — A Bay City, Mich., dispatch to the press of February 4 reports that the Farmers' State Savings Bank of that city failed to open February 2 and that the bank was in the hands of the Clearing House Association. Deposits approximating $1,000,000 were shown in the last statement of the bank.

New York Fur Sale — The New York Times of February 5 states that unusually active bidding for all varieties of muskrat was the outstanding feature of the February 4 sessions of the fur sale at New York. Cross and blue foxes also sold well. Sales totaled $900,000, the largest amount realized in a single day for some time. The grand total for the first five days of the auction is now $3,000,000. Attendance was larger when the muskrats were on the block than during the selling of any previous collections. Manufacturers and dealers bid actively for these pelts, and prices were generally above the levels of the open market. A small offering of black muskrat, less than 3,000 skins, came up first and sold to $3.20 for the finest.

Resale Implement Price System — An editorial in The Farm Implement News (Chicago) for Jan. 20 says: "We have been in close touch with the activities of implement dealers' associations for many years, and we do not recall any instance in the history of these organizations where a demand for a change in existing trade practice was so generally and persistently supported as the demand for adoption of the resale price system by manufacturers of farm equipment who have not yet applied this plan to their lines....We believe the plan is worth trying by all implement concerns. It has been used in the sale of tractors from the beginning and no manufacturer of tractors has abandoned it. Recently a representative of a

manufacturer told a group of dealers that he would refuse to fill orders from dealers who cut the resale price on his tractor. If the resale price system is so good a thing for the tractor trade why wouldn't it be just as good for plows, drills, corn planters, etc.?..."

Small Community Cooperatives An editorial in The Progressive Farmer for January 22 says: "Most of us, in our thinking, set too narrow limits for agricultura cooperation. We think of it primarily as a way of marketing staple crops with certain legally prepared contracts as the essential element of cohesion. As a matter of fact, the marketing of staple crops is only one form of agricultural cooperation, and it must be fundamentall a matter of the spirit rather than of compulsion.....Let us get this larger vision of the scope of true cooperation. Not only in marketing staple crops must cooperative effort prevail, but we must develop more and more of the small community cooperatives such as have almost revolutionized country life in many European countries....When in Euro some years ago we visited Denmark, where cooperation in crop productio crop marketing, social life, etc., are practically everywhere the rule rather than the exception; and we shall never forget this expression we heard from one Danish rural leader; Denmark is a little land full o happy people. This is true because Denmark has found in cooperation not merely an agency for increasing prices but an agency for the expression of a new rural comradeship, neighborliness, and brotherhood--and that after all is the greatest of all good things to be won by cooperative marketing."

Sugar Situation "Sugar's Place in the New Agricultural Regime" is the title of an article by Theo. H. Price in Commerce and Finance for February 2 Mr. Price says: "....As the position of sugar is not so well understoo it may be in order to point out: That the world's crop for 1927 is estimated at 23,199,000 tons as against 24,499,000 tons in 1926. That only 384,000 tons of that deficiency is due to the curtailment in Cuba whose yield for this year is limited to 4,500,000 tons as against 4,884,000 tons last year; that the world's consumption for this year i estimated at 24,500,000 tons or 1,300,000 tons more than the indicated production. That the food value of sugar is coming to be better understood in India, China and Japan, where some authorities claim there ha been an increase of 50 per cent in the consumption since 1921. That a average gain of about 5 per cent per annum is indicated elsewhere. Tha under the new regime upon which agriculture appears to be entering it is unlikely that enough sugar to supply the world's demands will be produced unless the price shall be advanced to a figure that will assure a satisfactory profit to the producers and a satisfactory wage to the labor employed. As to what this satisfactory price may be, students will differ, but a consensus of intelligent opinion would probabl put it at about 4 cents f.o.b. Cuba for raw sugar or the equivalent of that price elsewhere. There are few who will deny the essential equity of such a price. It would pay the producers a fair but not an exorbitant profit and consumers could not regard it as oppressive. Therefore it would seem wise to encourage its acceptance in the spirit of live and let live that now animates the public attitude toward agriculture."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended February 5: Maine sacked Green Mountain potatoes steady in New York at $2.60 to $2.75 per 100 pounds; 10¢ to 25¢ lower at $2.50 to $2.75 in other eastern cities; bulk stock $2 to $2.05 f.o.b. Presque Isle. Midwestern sacked yellow varieties of onions ranged $2.50 to $3 per 100 pounds in consuming centers; $2.65 to $2.75 f.o.b. West Michigan points. New York Danish type cabbage $2 to $5 lower at $18 to $25 bulk per ton in distributing centers; mostly $12 f.o.b. Rochester. Texas Round type 75¢ lower at $1.75 to $2.25 per barrel crate in city markets; $10 to $12 bulk per ton f.o.b. Texas points. Apple markets steady. New York Rhode Island Greenings ranged $3.75 to $4.75 per barrel in terminal markets; cold storage stock $3.75 to $3.90 f.o.b. Rochester.

Butter markets during the week ending February 5, continued firm. Supplies were moderate and with demand good, prices advanced about 1 cent during the week. Production was reported as increasing slowly. Closing prices on 92 score: New York 52¢; Chicago 49 1/2¢; Philadelphia 52¢; Boston 52¢.

Hogs on the Chicago market to-day are 15¢ higher than yesterday's average with a top price of $12.75. Compared with a week ago fed steers are 25¢ to 75¢ higher, light weights and yearlings showing least advance; fat cows are 25¢ and heifers 50¢ higher, vealers, calves and stocker and feeder steers are about steady with a week ago. Fat lambs and yearling wethers closing about steady, fat ewes 50 to 75¢ higher and feeding lambs weak to 25¢ lower than last week's close.

Average price of Middling spot cotton in 10 designated markets advanced 50 points during the week, closing at 13.43¢ per lb. March future contracts on the New York Cotton Exchange advanced 51 points, closing at 13.85¢, and on the New Orleans Cotton Exchange they advanced 51 points, closing at 13.82¢.

Hay markets easier but prices quotably unchanged. Receipts increased producing areas and demand slackening with mild weather. Alfalfa demand active top grades green hay. Most arrivals medium to lower grades. Prairie receipts light, arrivals only fair. Stockyards moderate buyers. No.1 timothy Boston $25.50; New York $26.50; Cincinnati $18.50; Chicago $21.50. No.1 alfalfa Kansas City $20; Omaha $19.50. No.1 prairie Kansas City $15.50; Omaha $17.50; Chicago $20; St.Louis $18; Minneapolis $20. (Prepared by Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XXIV, No. 32 Section 1 February 8, 1927.

MCNARY-HAUGEN BILL

The Associated Press to-day says: "With managers of the McNary-Haugen bill driving for a vote, farm relief debate got under way in earnest in the Senate yesterday, while House leaders decided to defer consideration of the measure until tomorrow. Professing to feel that they have victory in hand, sponsors of the bill plan to force a vote in the Senate by the end of the week, by use, if necessary, of the cloture rule, which would limit debate and for which 68 Senators already have signed the necessary petition. House managers feel more time will be required there and a vote probably will not be reached until next week. Under revised plans the bill will be called up in the House tomorrow with general debate expected to continue the remainder of the week. Chances of its passage by the Senate were enhanced materially, its sponsors declared, when a compromise was reached between them and the southern group, led by Senator Harrison of Mississippi, providing for a deferment of the equalization fee against cotton for two years and adoption in its stead of the Bledsoe cotton insurance plan....."

The N.Y. Times to-day says: "President Coolidge will veto the McNary-Haugen bill if it is passed in its present form, Senator Fess of Ohio told the Senate yesterday in a vigorous speech against the farm relief measure. He referred to a provision in the bill that would require the President, in nominating members of a proposed farm board, to choose from a preferred list presented to him on behalf of the farmers and declared such legislation would be unconstitutional. 'While I have talked to no one, and am authorized to speak for no one,' said Mr. Fess, 'I feel absolutely confident that no President will be free to sign a bill that has such a feature in it.'...Senator Curtis of Kansas, the Republican floor leader, who announced that he did not approve the McNary-Haugen bill, gave notice that he would offer a substitute which would provide relief for all agricultural commodities, but without an equalization fee. He declared the pending bill would tend to increase production, but added that if his substitute failed of adoption he intended to vote for the McNary-Haugen measure....."

U.S.COMMERCE CHAMBER AND FARM BILL

The press to-day says: "The Chamber of Commerce of the United States, in a statement outlining its views of pending legislation, charged yesterday that efforts are being made in Congress to pass the McNary-Haugen bill 'regardless of its merits and in consequence of bargains.' Passage of the bill, according to President John W. O'Leary, would be sure to 'result disastrously for agriculture itself and thus bring great detriment to all branches of industry and commerce.' While opposing the McNary-Haugen bill, O'Leary urged enactment of the McFadden-Pepper bill enlarging the power of national banks and extending the charters of Federal Reserve Banks....."

THE RADIO BILL

The press to-day reports that efforts to get a vote in the Senate on the Radio bill failed yesterday, but test votes on motions to recommit the bill to conference made its passage virtually certain, probably within the next few days.

Section 2

Beet Production in Ireland

An editorial in The Farmers' Gazette (Dublin) for Jan. 22 says: "The official opening of the Sugar Beet Factory at Carlow this week marks a new departure in Irish agriculture. The enterprise gives signs of making good, and establishing itself as part and parcel of the economic working of the country over the area from which the supply of beet can be drawn. It has long been a taunt leveled against Irish farmers that they are quick to jump at any new suggestion, but equally as quick to give it up whether or not they had the experience of suffering from burnt fingers. The possibility of growing sugar beet in Ireland, and of producing sugar on the same lines as Continental countries, has long been under consideration, and, while some aspects of the prospect were favorable, more of them were economically forbidding. Now, at last, the attempt has been made, and all will wish the venture the fullest measure of success. It is rather early yet to be sanguine regarding the financial results which the working of the first year's crop may show, but, should these be encouraging, strong inducement will be given to such farmers as can grow beet within deliverable distance to devote such an area to the crop as they have already succeeded in growing...."

Burbank Foundation Plan Abandoned

An Associated Press dispatch February 7 from Santa Rose, Calif., says: "Stanford University has abandoned its plan to raise a $1,000,000 Burbank Foundation fund to take over the home and the Sebastopol experimental gardens of the late Luther Burbank....Dr. Ray Lyman Wilbur, president of the university, said the university was unable to receive assurances of the large preliminary gifts necessary to the success of the campaign....."

Farm Equipment Exports

An editorial in The Implement & Hardware Trade Journal for January says: "Exports are playing an increasingly important part in the progress of the American farm equipment industry. The individual dealer doing business in a Missouri Valley county may think his business has little to do with the business done by some implement man in New Zealand, Australia or Argentina, but so long as the latter likes Yankee-made agricultural machinery and likes to sell it in mounting volume, the American retailer, at home with his own problems and accepting the implements shipped to his order much as most of us accept the air we breathe, wouldn't go far amiss if he were to consider anew the domestic source of supply that is his and the headway that American farm equipment is making in the world markets....In the calendar year of 1926 implements to the value of $85,666,570 were shipped out of the country, setting up a new record for any calendar year. Roughly, this big export movement represents about twenty-five per cent of the total American volume in farm equipment....Comparative figures in the farm equipment field are resuming their old value as the industry draws away from the deep ditch in which it floundered during the several years following 1920. There is normal meaning, then, in the fact that implement exports for 1926 exceeded those for 1925 by ten per cent....."

Fisher Index Number

A New Haven, Conn., dispatch to the press of February 2 states that the weekly index number of stock exchange prices, compiled by Professor Irving Fisher and based on the week's fifty most active industrial stocks, reckoned on their average of 1925 as 100, is 169.5. This compares with 168.1 the week before, 169.8 two weeks before, 171.3 three weeks before and 170.3 four weeks before. In the same week of last year it was 154.

Latin American Trade

An editorial in The Modern Miller for January 22 says: "We have often pondered over the fact that no united effort has been made to expand flour markets in Latin America and no closer communion developed with the merchants of this trade. There was a time when banking facilities were inadequate for modern business, and credit knowledge was of the most doubtful kind on which to conduct export. These factors have been largely improved or solved, but there still remains a lack of understanding which is a stumbling block.....How to create a better contact with Latin America is a problem which will have to be solved in the future, but the method of creating the start has not been given any group consideration."

McNary-Haugen Bill and Cotton

An editorial in The Journal of Commerce for February 7 says: "So far as can be learned from the latest advices out of Washington cotton planting interests are not even yet more than half-heartedly at best in favor of the so-called McNary-Haugen bill....Just how would the provisions of the McNary-Haugen measure work out in respect of cotton. Not more than a partial view of the situation can be obtained from a reading of the bill itself. That gives carte blanche to those administering the law to do about what they please or what they think it well in existing circumstances to do, and provides them with some quarter of a billion of dollars of taxpayers' money to do it with. The whole purpose of the bill is, however, to raise prices of such commodities as cotton by taking surpluses 'off the market' or to prevent the birth of surpluses in similar fashion. No provision is made for the control of production. Such quantities of these commodities as are 'taken off the domestic market' must be disposed of in some way. The authorities will quickly be driven to foreign markets for the disposal of surpluses. Now since foreign production of raw cotton is no longer negligible, since world markets for cotton goods are in any case none too active, and since attempts to force prices up artificially in foreign markets would certainly tend very definitely to stimulate production in areas outside of this country, it will in the long run be unavoidable that we pursue a policy of foreign dumping. How could this be expected to affect the cotton planter in this country? Could prices within our borders be forced up high enough and maintained on a sufficiently high level to make up the losses incurred in selling abroad at ruinously low rates? It is more than difficult to see how any such thing could be achieved...."

McNary-Haugen Bill and Tobacco

An editorial in The Baltimore Sun for February 7 says: "The Burley Tobacco Growers' Cooperative Association having joined the Corn Belt and jumped with both feet into the scramble for its share of the $250,000,000 revolving fund. Those familiar with the history of this organization will await with interest the explanation of how it expects the scheme to work with tobacco. This association during the past five years has largely controlled Burley tobacco prices. It created a powerful organization, one which was capably managed and had sufficient influence to secure enactment of legislation giving it ample credit facilities. It raised the price of tobacco by holding the surplus off the market, precisely as the McNary-Haugen bill would do. The scheme seemed to be working splendidly except for one thing--production could not be controlled. More and more money was required year after year to take over the increasing surplus until the association was faced by so large a carryover as to threaten its financial

stability. The experience of this organization aptly demonstrates the dangers of the McNary-Haugen bill. If it does not turn out to be a gold brick for the farmer, if it actually takes over surplus of basic crops and holds up prices for commodities sold to the consumer, the country will be given another demonstration of what the American farmer can do in the matter of production when he does not have to worry about what he is going to be paid for his crops!"

Section 3

Department of Agriculture

1 An editorial in The Washington Post to-day says: "The gravity of the danger from the ravages of the latest insect pest, the European corn borer, can be appreciated when it is known that on Friday last the Senate passed the bill, which had been sent over from the House, appropriating $10,000,000 to eradicate the pest. The Department of Agriculture has not allowed the grass to grow under its feet in the matter of starting the war. The Bureau of Entomology has already started the campaign. Arrangements are being perfected whereby at least 1,000 farmers will be employed in the four States in which the borer has made the greatest headway--Pennsylvania, Ohio, Michigan and Indiana. Cooperation on the part of the officials of those States has already been pledged to the department, and it is expected that other States in the infected section, as well as those threatened with the invasion, will promptly join with the Federal authorities in the warfare. Farm bureaus, county agents and similar organizations will help in the campaign, which will start immediately....In spite of the fact that Congress has placed at the disposal of the Department of Agriculture the largest fund ever made available for the eradication of such a pest, it is still up to the farmer himself to bring success to the departmental experts. Without the complete and willing co-operation of those whose crops are threatened there can be nothing but victory for the corn borer."

2 An editorial in Western Breeders Journal for January 20 says: "In the last year or two far more progress along the line of establishing official grades for various farm and ranch products has been made than is generally realized. The United States Department of Agriculture has been very busy in recent years working out these grades in a way that will be fair to all interested, and the department has been very careful to call into consultation all interests concerned. Meat, wool, cotton, poultry and other commodities have been thoroughly investigated and standard grades established. This is an extremely valuable service. The department has done its work so quietly that its significance is not apparent to the rank and file of producers. The fact is that it is impossible to make any attempt at improvement in the marketing of farm products without running up against the necessity of definite and uniform grading. Producers have been handed a really valuable present without making an audible request for it--and they haven't requested it in a very loud voice because there has never been a widespread appreciation of its value. It is not out of place to add, however, that producers will not derive the full benefit of the work done unless they increase their control over marketing processes."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 7: Chicago hog prices closed at $12.75 for the top, better grades of beef steers show advances ranging from 50 to 75¢, heifers steady to 25¢, and cows steady to 15¢ higher. Vealers are steady to 50¢ lower and heavy calves unchanged. Stocker and feeder steers steady to 25¢ lower. Fat lambs are 25¢ higher yearling wethers steady to 50¢ up, fat ewes 50¢ higher and feeding lambs steady at last week's prices.

Maine sacked Green Mountain potatoes ranged $2.50 to $2.85 per 100 pounds in eastern cities; bulk stock $2 to $2.05 f.o.b. Presque Isle. Northern sacked Round Whites sold at $1.90 to $2.10 on Chicago carlot market and at $1.65 to $1.80 f.o.b. Waupaca. New York Danish type cabbage closed mostly around $15 to $20 bulk per ton in city markets, with top of $25 in Cincinnati. Maryland and Delaware yellow varieties of sweet potatoes $1 to $1.40 per bushel hamper. Tennessee Nancy Halls $1 to $1.40 in the Middle West. New York Rhode Island Greenings $3.75 to $4.75 per barrel in leading city markets; cold storage stock $3.75 to $4 f.o.b. Rochester.

Closing prices on 92 score butter: New York 52¢; Chicago 49 3/4¢; Philadelphia 52 1/2¢; Boston 52 1/2¢.

Grain prices quoted Feb. 7: No.1 dark northern Minneapolis $1.40 to $1.47. No.2 red winter Chicago $1.36; St.Louis $1.36. No.2 hard winter Chicago $1.41; Kansas City $1.36. No.3 yellow corn Chicago 72¢; St.Louis 77¢; Minneapolis 74¢; Kansas City 72¢. No.3 white oats Chicago 43¢; St.Louis 44¢; Minneapolis 45¢; Kansas City 46¢.

Average price of Middling spot cotton in 10 designated spot markets declined 5 points, closing at 13.38¢ per lb. March future contracts on the New York Cotton Exchange declined 6 points, closing at 13.78¢, and on the New Orleans Cotton Exchange they declined 6 points, closing at 13.76¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 5,	Feb. 4,	Feb. 5, 1926
20 Industrials	154.33	154.51	159.98
20 R.R. stocks	123.21	122.30	111.15

(Wall St. Jour., Feb. 7.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 33 Section 1 February 9, 1927.

THE MCNARY-HAUGEN BILL The New York Times to-day reports: "The administration began yesterday an active campaign to defeat the McNary-Haugen farm relief bill in Congress, following an agreement by the Senate to limit debate on the measure and vote on it Friday at 4 o'clock. This agreement forestalled a move to petition for closure, and, according to farm bloc leaders, adoption of the bill by the Senate is assured. Administration leaders opposed to the bill, and apparently carrying out the wishes of President Coolidge, became aggressive in the House, after virtually admitting that its defeat was impossible in the Senate.....Coincidental with this campaign it was reported on good authority last night that President Coolidge would veto the McNary-Haugen bill if its opponents in Senate and House could not prevent its reaching his desk. Those who posed as representing the President's views said his attitude had been defined clearly as against the bill, and that he would follow the same course as in his veto of the Soldiers' bonus bill and the bill increasing the pay of letter carriers, both of which involved his political prestige.

"The request to fix a time to vote on the bill in the Senate was made by Senator McNary of Oregon, who suggested Thursday, but Senator Bruce of Maryland asked for a day longer. Senator King of Utah offered the only opposition, but finally yielded, after declaring that with a bill so revolutionary in character 'the more time consumed in debating it the better it would be for the country.'... Senator Fess attacked the equalization fee feature of the bill, declaring it would be a tax levied by a board, and that Congress could not delegate its taxing power in such a manner....Mr. Fess declared that other effects would be to increase the clerical forces of the railroads in administering the law and, in consequence, an increase in freight rates. In response to a suggestion from Senator Glass of Virginia he said that if the $250,000,000 proposed to be appropriated in the measure was exhausted it then would become necessary to appropriate another $250,000,000 to replace the sum...."

SEED LOAN BILL The press to-day reports that the $8,600,000 seed loan bill was passed yesterday by the Senate with provision for cotton farmers as well as northwestern grain growers. With the approval of Senator Norbeck, amendments were added to permit the loans for obtaining seed in cotton States and for sugar cane crops in Florida and Louisiana. As sent to the House, the bill stipulates that $5,000,000 shall be for farmers in North Dakota, South Dakota and Montana, and $2,500,000 for the drought-stricken areas in South Carolina, Georgia and West Alabama. The bill would limit the maximum loan to $300. The Secretary of Agriculture would be in control of the loans, with power to fix the terms.

MR. LOWDEN AND FARM LEGISLATION The press to-day reports that Ex-Governor Frank O. Lowden of Illinois added his active support to the equalization fee provision of the McNary-Haugen farm relief bill yesterday.

Mr. Lowden's support of the bill was expressed in a telegram to George N. Peek, representative of western farm organizations.

Section 2

Canadian Wool Tariff

An Associated Press dispatch February 8 from Ottawa says: "Abolition of all preferential tariffs on wool and woolen goods entering Canada is proposed in an application made February 8 to the Tariff Advisory Board of Canada from the Canadian Woolen and Knit Goods Manufacturers Association. The board will hear arguments next month. In their brief the association submits that the woolen industry in Canada 'has not prospered and developed in relation to our population as have other industries.' The manufacture of wool is declining, the brief says, and the industry 'is not only at a standstill but is going backward.'"

Farm Electrification

In a review of problems of farm electrification, Commerce Monthly (New York) for February says: "The amount of electricity used in this country has increased to an amazing degree during recent years. The idea of employing electric power to do things less laboriously than by former methods is an attractive one. It is little wonder that much thought is being given to discovering how electric energy can minimize the drudgery of the farm. But the fact is that the use of electricity in rural communities lags behind that in the cities. It has recently been estimated that less than 6 per cent of the work on farms is done electrically. In contrast to this 60 per cent of the manufacturing operations in this country are performed by electricity. There are in the United States almost six and a half million farms maintaining about 30 per cent of our total population. Only about 8 per cent of these farms enjoy electric lighting at the present time. On the other hand there are at least fourteen million village and urban dwellings of which about 70 per cent are now electrically lighted. The chief reasons for the limited use of electricity on farms are, first, that it is not adapted to mobile power requirements, and second, that it is expensive to distribute.....The first limitation upon the use of electricity for farm power lies in the fact that it is not yet adaptable to the majority of farming operations. It was estimated recently that of the total of 16 billion horsepower hours of energy used annually on farms in the United States, 48 per cent is used for field work, 15 per cent for road hauling, 7 per cent for hauling about the farm, 17 per cent for heavy stationary work and only 13 per cent for light stationary work requiring 5 horsepower or less. As electricity is not yet well adapted to field work, to hauling or to heavy stationary work, there remains but a small portion of farm work to which it is suited....."

French Tobacco Sales

During the month of December 1926 sales of the State tobacco monopoly in France aggregated 303,600,000 francs of which 299,700,000 francs were applied to the sinking fund for the floating debt of the Nation in comparison with 281,652,000 francs so applied in December 1925. The sales of tobacco during the whole year 1926 totaled 2,866 million francs as against 2,267 millions in 1925, while the sale of matches also a State monopoly yielded 177 1/2 million francs as against 134 millions in the preceding year. The higher returns from tobacco are due not only to increased consumption but also to the higher sales prices which have prevailed since last summer, according to advices received by the Bankers Trust Company of New York from its French information service.

Motors and Horses in New York State

An Albany, N.Y., dispatch to the press of February 7 says: "Tractors, trucks and automobiles are continuing to push the horse out of the furrow and off the roads in New York State, as well as all over the country. A State-Federal livestock census made public February 5 by the State department of agriculture and markets shows that there were only 401,000 horses and colts on the farms in New York the first of this year, a decline of 17,000 since a year ago. A decrease of 3.5 per cent was reported for the whole country."

Plant Food Increase

The press of February 7 says: "The use of commercial plant foods is slowly increasing in the United States, but has a long way to go before it approaches the condition prevalent in Europe, where the soil has been under intensive cultivation for centuries. Figures compiled by the National Fertilizer Association show that fertilizer consumption in this country in 1926 averaged 6.4 pounds per crop acre, compared to 200 pounds in Germany, 513 in Belgium, 674 in Holland, and 50 in France and Italy. The total commercial fertilizer sold in the United States was 7,508,132 tons, compared to 7,450,294 tons in 1925."

Production and Prices

An editorial in The Nebraska Farmer for February 5 says: "It is surprising to note from data compiled by the National Industrial Conference Board that in the last twenty-five years mining production has increased 231 per cent, manufacturing 190 per cent, agriculture only 38 per cent and population 50 per cent. We have no reason to doubt the accuracy of these figures, but in the light of them one finds difficulty in explaining why agricultural prices should lag behind commodity prices. In other words, had the consumption of agricultural and non-agricultural commodities remained uniform throughout this period, there should be at this time a very much greater surplus of the latter than of the former. The reason for the disparity in output probably can be found in the fact that labor has been consuming largely of its own products. This has resulted in two things: First, the highest wages that labor has ever known. Second, installment and other methods of high pressure selling whereby the income of the laborer is encumbered for manufactured products to such an extent that it can not be expended for food. The latter explanation comes home immediately to the farmer on account of the change in demand for meat products. The butcher sells cuts of meat that are half as large as they formerly were. All kinds of food products are put up in smaller portions than formerly. This means that people are not eating as much as they once did, the income having been encumbered for other purposes."

Tuberculosis Control

An editorial in The Idaho Farmer for January 20 says: "Idaho's 'modified accredited area' plan of tuberculosis testing has been indorsed by the United States Live Stock Sanitary Association, reports Dr. W. A. Sullivan, Idaho inspector for the United States Bureau of Animal Industry.....Right along this line comes the news of the demand being made by poultrymen in Canyon County for some such service as that available to stockmen, for the control of tuberculosis in their flocks. A committee of these poultrymen met recently with A.W.B. Kjosness of the Sate department of agriculture to discuss the possibility of State aid in poultry tuberculosis control."

Warren on Crops and Acreage

An Ithaca, N.Y., dispatch to the press of February 8 says: "Nineteen per cent of the farm acreage of New York State has been abandoned in the last forty-five years, declared Professor E.N.F. Warren, Cornell expert, February 7 in the first of a series of Farmers' Week lectures. He showed that figures indicate decided decreases in acreage devoted to crops, but an increased production per acre, which has counter-balanced the abandonment of crop lands. Farm production is between 15 and 20 per cent greater than forty-five years ago, he said. He predicted that farm acreage would continue to decrease, while the use of acid phosphate, ground limestone and farm machinery would continue to make crops per acre considerably larger..."

World Wheat Situation

Mr. Axel Hansen, chairman of the grain futures committee of the New York Produce Exchange, surveys the wheat situation thus: "Owing to the short wheat crops of Europe, as well as the scarcity of potatoes, rye and other foodstuffs, the European requirements are expected to be very large during the winter and spring, and considerably exceed the requirements of the last six months which amounted close to 400,000,000 bushels, in spite of native supplies being used to a very large extent. These supplies are now getting rather scarce, and the world shipments of the last few weeks seem to confirm larger European needs. During the last four weeks world shipments have averaged about 18,000,000 bushels weekly. Even though the Southern Hemisphere may supply the world with some 10,000,000 bushels weekly for the next three months, North America will still be called upon to furnish a substantial quantity during the winter months, and with the advent of spring, the pressure of Argentine and Australian wheat will be over and North America will again have to take the leading role as the chief supplier of the world's bread-basket. How this can be brought about without advancing values is not easy to foresee, for unless our Government is very much mistaken in its crop estimates, we will, by that time, have no appreciable surplus for export." (Modern Miller, Jan. 29.)

Section 3

Department of Agriculture

An editorial in The Idaho Farmer for February 3 says: ".... In justifying a $7,500 appropriation for artichoke study, Dr. W. A. Taylor, Chief, Bureau of Plant Industry, revealed the little-known fact that Jerusalem artichokes are native to the United States and were exported by the early colonists. The fullest explanation of the department's plans was demanded by Chairman McGee of the subcommittee, who comes from the sugar beet growing area of New York State. Doctor Taylor explained that the artichoke may be raised with virtually no cultivation, whereas the sugar beet requires constant attention. After department scientists had explained that more sugar per acre could be grown from artichokes, with less labor than either sugar beets or sugar cane, Congressman Buchanan of Texas said: 'If the sugar manufactured from the artichoke would take the place of cane and beet sugar, and if it can be produced in unlimited quantities, then it is right and proper that beet and cane sugar should disappear, and that this should take its place in the economic affairs of the Nation.' Doctor Taylor replied that it would not necessarily follow that both beet and cane sugar would disappear when sugar from artichokes was being produced in commercial quantities. He explained that it is a different sugar, with a different sweetening power."

Section 4
MARKET QUOTATIONS

Farm Products Feb. 8: Maine sacked Green Mountain potatoes ranged $2.60 to $2.85 per 100 pounds in eastern markets; bulk stock mostly $2.05 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.85 to $2.05 carlot sales in Chicago; $1.60 to $1.78 f.o.b. Waupaca. New York and Midwestern yellow onions closed at $2.50 to $3 sacked per 100 pounds in consuming centers; high as $3.25 in New York City; few $2.65 to $2.75 f.o.b. West Michigan points. New York Danish type cabbage ranged $15 to $23 bulk per ton in distributing centers; $22.50 to $30 in St.Louis; $11 to $12 f.o.b. Rochester. New York Rhode Island Greening apples sold at $4 to $5 per barrel in city markets; cold storage stock mostly $4 f.o.b. Rochester. Baldwins few $3.25 to $4 in Middle West; cold storage stock few $3.50 f.o.b.

Chicago hog prices closed at $12.45 for the top; beef steers choice $11.50 to $13; heifers, good and choice $7 to $10.75; cows, good and choice $6 to $7.75; low cutter and cutters $4.35 to $5.15; vealers medium to choice $10 to $14.50; heavy calves medium to choice $6.50 to $9; stocker and feeder steers, common to choice $6.25 to $8.50; fat lambs medium to choice $12 to $13.60; yearling wethers, medium to choice $9.50 to $12; fat ewes, common to choice $6.50 to $8.75; feeding lambs medium to choice $11.75 to $13.25.

Average price of Middling spot cotton in 10 designated markets advanced 8 points closing at 13.46¢ per lb. March future contracts on the New York Cotton Exchange advanced 7 points, closing at 13.85¢, and on the New Orleans Cotton Exchange they advanced 14 points, closing at 13.90¢.

Grain prices quoted February 8: No.1 dark northern Minneapolis $1.40 to $1.47. No.2 red winter St.Louis $1.37. No.2 hard winter Kansas City $1.42. No.3 yellow corn Chicago 73¢; St.Louis 74¢; Minneapolis 74¢. No.3 white oats Chicago 44¢; St.Louis 44¢; Minneapolis 45¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXIV, No. 34 Section 1 February 10, 1927.

THE PRESIDENT SIGNS BORER BILL

President Coolidge yesterday signed the bill for the $10,000,000 appropriation to fight the European corn borer, according to the press to-day.

THE MCNARY-HAUGEN BILL

The New York Times to-day says: "Opponents of the McNary-Haugen farm relief bill passed the word around the Capitol yesterday that President Coolidge had notified Republican leaders that if Congress passed the measure he would veto it. Supporters of the bill were inclined to credit the report, but they were determined to pass the measure. Opinion was general that, whatever the President's action upon the farm bill, the consequences would be far-reaching in a political way....."

"Debate on the McNary-Haugen bill continued in the Senate yesterday and opened in the House under a rule limiting discussion to twelve hours. The Senate will vote on the bill Friday, but the issue will not be joined in the House until next week. The House debate was about equally divided between opponents and proponents, and old straw was raked over, for the most part. The program of House opponents is to defer a vote at least a week in the hope that the administration can line up enough members to defeat the bill. This was disclosed yesterday when Republicans against the measure announced that ample time would be allowed for debate, and any member desiring to speak on farm relief would be permitted to do so. Neither side seemed confident last night, but supporters of the bill declared they would win by a narrow margin. The result of the roll-call yesterday by which the House took up the farm bill-216 for and 146 against--was declared no indication of the line-up on final passage, as several opponents of the measure supported the rule. Charges that 'deals' had been arranged to put the bill over were made freely by opponents of the Haugen-McNary plan in private conversation, but no such charge was made in open debate...."

PRESSURE ON THE PRESIDENT SUGGESTED

The Associated Press to-day reports: "A plan to bring pressure on President Coolidge to sign the McNary-Haugen bill if it is passed by Congress by withholding action on the administration's branch banking bill was suggested in the Senate yesterday by Senator Wheeler of Montana, who served notice that he would do his utmost to prevent final Congressional action on the McFadden branch banking bill until after the McNary-Haugen measure was signed by President Coolidge...."

THE RADIO BILL

The press to-day states that the Senate yesterday, by a vote of 41 to 34, refused to send the conference report on the radio bill back to the conference. It is uncertain when the report will be voted on, and it is not believed any agreement on a vote can be reached until after disposal of the McNary-Haugen farm bill.

Section 2

Business Trend

No definite trend in the business situation has yet been developed, says the current issue of the American Bankers Association Journal in its monthly review which in part is as follows: "The first month of the new year did not bring any developments to indicate a major trend either upward or downward in general business activity, and it may be some time yet before the 1927 picture begins to take definite form. The fragmentary reports covering January operations from different sections of the country show that a large volume of trade is being maintained, and that industrial production in the steel, automobile, tire and a number of other lines is active and increasing. Bankers now receiving the year-end financial statements from their customers have the final evidence confirming the exceptional prosperity of last year, the earnings being in many cases the best in the history of the particular concerns. But general prosperity does not distribute itself equally among all producers and merchants, and there are now, as always, numerous firms that show decreased profits or actual deficits, and many more that were unable to do as large a volume of business as in the preceding year on account of severe competition. The statements coming from the South, almost without exception, reflect the unsatisfactory conditions there caused by cotton overproduction, while those in the State of Florida were hurt by the hurricane also. Commercial concerns in the Middle West and Northwest, and banks too, labored against handicaps that made profits very difficult to secure, and conditions there are still far from satisfactory. Those circumstances have resulted in many balance sheets showing a marked increase in bank borrowings and other liabilities."

Canadian Farmer Parliaments

An editorial in The Grain Growers' Guide (Winnipeg) for February 1 says: "This is the farmers' convention season. The farmers' parliaments have been meeting in Manitoba and Alberta--the Saskatchewan session will be held later this year. In the development of this country the farmers' parliaments have played an important part. Next to seeding and harvesting probably no other factor has done more to mould the course of development than the direct and indirect results of these parliaments of the men who till the soil. It is in these brief sessions that public opinion is crystallized into concrete recommendations and forwarded to the authorities charged with enacting the laws of the land. The farmers' associations, of which these conventions are the great annual function, were born in protest--in protest against unjust economic conditions. The associations have continued as great educational institutions--as agencies for carrying out programs of reform--as armies of self defense against the aggressions of other economic groups in the community. They have become a part of the very fabric of the Nation. Nearly every important reform, political, economic and social in these western provinces in the past two decades has either originated or found its chief support in the farmers' organizations. And the influence of the work of the farmers' parliaments has not been confined to the provinces in which they are held....There are no institutions in this country that have within them such possibilities for beneficial work for rural betterment...."

Corporation Stockholders

The widely held belief that the number of American corporation stockholders runs to many millions is refuted by Joseph S. McCoy, Government actuary of the United States Treasiry, in a study he has made for the current issue of the American Bankers Association Journal. "Taking the duplication of holdings into account, Mr. McCoy estimates that there are not more than 3,000,000 separate individuals who own stocks and bonds," says the Journal. "Responsible economists in recent years have estimated that there are 15,000,000 stockholders." The McCoy article says in part: "Cash dividends are reported as having been paid for 1924 amounting to $4,338,822,858. Of this, $915,215,980 was paid other corporations, $3,250,913,954 was received by individuals making income tax returns. The remainder was distributed to those who make no returns, leaving about 4 per cent to be accounted for. In 1924, of the total corporate dividends, 75 per cent went to some of the 7,369,788 individuals making income tax returns. Of these only 4,489,698 actually returned income in excess of their deductions and paid any tax. These are distributed according to their net income. A study of these statistics makes it clear that the number receiving dividends must be within certain limits, the larger the income, the narrower the limits...."

Cotton in Egypt

A Cairo dispatch to the press February 9 says: "The Cabinet February 8 had under discussion the report of the finance committee, which sounds a note of pessimism, although this is not altogether regarding the immediate future of Egypt. The fall in cotton has decreased the wealth of the country and the purchasing power of the inhabitants, and this has seriously affected the revenue from the customs, railways and other national resources. Nevertheless, the committee considers that the general condition of the country is better than that of some other countries."

Ford to Test Farm Wastes

The Associated Press February 9 reports from Detroit: "A theory of Henry Ford that the agriculturist wastes much time and that the production of staple farm crops can be accomplished in from 15 to 20 days through the application of efficiency methods, will be tested on several thousand acres of land which the automobile manufacturer recently purchased, Theodore H. Price says in an article which will appear in to-day's issue of Commerce and Finance. Ford's estimate, according to the article, would allow two days for ploughing and harrowing, one day for planting, five days for cultivating during the period of growth, two days for harvesting and threshing, and the remainder of the time for fencing, distributing fertilizer and other work. Ford is quoted as saying that he has not changed his belief of eleven years ago regarding the industrialization of agriculture, and that he was confirmed in his opinion that the work to which a farmer now gives a year could easily be done in twenty days or less. The experimental farm is located at Dearborn, Mich., near the headquarters plant of the Ford Motor Co., and will be opened to public inspection."

Grain Rate Inquiry

The press February 9 reports: "Railroads operating north of the Missouri and west of the Mississippi filed a joint petition

February 8 with the Interstate Commerce Commission protesting any further investigation of grain rates in that territory. The commission tentatively has ordered an investigation in that region, in compliance with a resolution of Congress for a general inquiry into the effects of railroad rates on agricultural products. The petition said that since 1921 there have been 'three separate investigations of this rate structure and there is nothing new that can be brought out at this time about it. Another proceeding can only be costly and burdensome to the carriers, and it is not sought by either the shippers or the railroad commissions of States in western trunk line territory. The carriers have neither the time nor the resources properly to prepare evidence for another proceeding.'"

McNary-Haugen Bill and Federal Reserve

Frederick William Wile, writing in The Washington Star for February 8, says: "Farm relief, if enacted on McNary-Haugen lines, is destined to become known as the savior of the Federal Reserve System. That is depicted by Capitol Hill 'insiders' as the underlying and not generally realized reasons why those widely divergent elements--the agricultural bloc and the banking group--have come together. The banking interests are concerned with the Pepper-McFadden bill not so much because of the new advantages it will bestow upon national banks, but because the bill provides for indeterminate extension of the Federal Reserve System. The latter expires by law in 1933. The financial world, which recognizes the Federal Reserve as the Gilbraltar of the American economic structure, believes that the time to legislate for its perpetuity is now, rather than later. The next Senate will be considerably less conservative in its make-up than the present body. In delay, therefore, danger was seen....."

World's Poultry Congress

An editorial in Ontario Farmer for February 1 says: "To say that 'the holding of the 1927 World's Poultry Congress at Ottawa this year is the best advertising which the Canadian poultry industry has ever received' is the same as saying that 'white is white.' The fact is self-evident. To start with, Canada was selected as the country in which to hold the 1927 Congress only because of the winnings of Canadian birds at the 1924 Congress at Barcelona, Spain. That in itself is no mean type of publicity for the Canadian hen and her owner. Then the advertising of the Congress and the reporting of its progress in practically all countries of the world, will turn toward Canada the eyes of poultrymen who have never before realized that this country is populated by anything other than polar bears and icebergs. And if, during the 1927 Congress itself, Canadian birds can repeat their Barcelona performance, or improve on it, Canada will become the Mecca of poultrymen everywhere who may be in search of thrifty, vigorous breeding stock...."

Section 3

Department of Agriculture

An editorial entitled "The Criticism of Crop Reports" in The American Fertilizer for February 5 says: "....The first crop reports were prepared by the buyers of farm commodities, and the chief buyers still maintain complete crop reporting facilities. The farmers complained that the buyers' reports were unfair, and asked for

Government reports which would be impartial. These were furnished, and it is an interesting illustration of the proverbial ingratitude of republics that the farmers ever since have been complaining of the Government reports. The reports have been modified from time to time as to scope and frequency of issue, but every change, although requested by the farmers, brings a fresh deluge of criticism. The attitude of farmers toward the crop reports, which are issued for their benefit, tends to weaken farm influence in Congress. The city Congressmen think that the farmers do not know what they want--which is frequently true."

Section 4
MARKET QUOTATIONS

Farm Products February 9: Maine sacked Green Mountain potatoes ranged $2.50 to $2.85 per 100 pounds in eastern markets; bulk stock $2 to $2.05 f.o.b. Presque Isle. Carlot sales of northern Round Whites brought $1.90 to $2.10 in Chicago. New York Rhode Island Greening apples $3.75 to $4.75 per barrel; Baldwins $3.25 to $4 in city markets; cold storage stock $3.40 to $3.50 f.o.b. Rochester. New York Danish type cabbage fairly steady at $15 to $23 bulk per ton in terminal markets; $2 lower f.o.b. Rochester. Midwestern yellow onions tend slightly lower, ranging $2.25 to $3 sacked per 100 pounds in consuming centers.

Chicago hog prices closed at $12.75 for the top, beef steers and heifers show a gain of 25¢ for the week and cows are steady to 15¢ higher. Vealers are steady to 50¢ lower, heavy calves steady and stocker and feeder steers steady to 25¢ lower. Fat lambs are steady to 50¢ higher, yearling wethers steady to 35¢ up, fat ewes 40 to 50¢ higher and feeding lambs steady to 15¢ higher for the week.

Closing prices on 92 score butter: New York 51 1/4¢; Chicago 49 1/4¢; Philadelphia 51 1/2¢; Boston 52¢.

Average price of Middling spot cotton in 10 designated markets advanced 10 points, closing at 13.56¢ per lb. March future contracts on the New York Cotton Exchange advanced 8 points, closing at 13.93¢ and on the New Orleans Cotton Exchange they advanced 11 points, closing at 14.01¢.

Grain prices quoted February 9: No.1 dark northern Minneapolis $1.39 to $1.46. No.2 red winter St.Louis $1.36. No.2 hard winter Chicago $1.40; Kansas City $1.33 to $1.38. No.3 yellow corn Chicago 72¢; St.Louis 74¢; Minneapolis 73¢; Kansas City 72¢. No.3 white oats Chicago 44¢; St.Louis 41¢; Minneapolis 44¢; Kansas City 46¢. (Prepared by the Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 35 Section 1 February 11,1927

THE MCNARY-HAUGEN BILL The Associated Press to-day says: "Rapidly approaching the final test of its strength, the McNary-Haugen farm relief bill was debated in both the House and Senate yesterday with interest manifest as to what President Coolidge would do if it is passed. For a while it appeared the bill had gained strength in the Senate, where a vote will be taken to-day, Chairman McNary, of the agriculture committee, announcing that an agreement had been reached with southern Senators to vote for the measure with the equalization fee on cotton deferred two years, and the Bledsoe insurance plan in effect meanwhile. Later, however, this program seemed to be upset as a result of a conference in the office of Vice President Dawes, who has advocated application of the equalization fee on all commodities alike. A number of western and southern Senators attended, and a difference of opinion developed as to whether the fee on cotton should be deferred. Informal conferences were continuing between Senators last night in an effort to agree on a program that would give the bill enough support to insure its passage. In the House, advocates of the bill freely predicted passage, while its opponents speculated on the attitude of President Coolidge...."

TEXTILE MEN ON THE BILL An Associated Press dispatch to-day from Providence,R.I., says: "Unqualified condemnation of the McNary-Haugen farm relief measure, which, 'in giving aid to farmers by creating an artificial high price for domestic products and dumping surplus products abroad, will cause American cotton to be sold in the foreign market cheaper than it can be bought here,' was uttered yesterday by William S.Pepperell, president of the Rhode Island Textile Association. Declaring that he would telegraph the Rhode Island delegation in Congress urging that they defeat the measure and save the textile industry from ruin, Mr. Pepperell predicted that, should the measure become law, it would not only be a direct blow at the textile trade, but would react to the detriment of the southern cotton planter and the farmer....John Lawrence, president of the New England Council, said in Boston yesterday that if a study of the bill revealed to him that newspaper reports of its terms were true, he would marshal the forces of the council in an effort to have it defeated...."

THE CORN BORER FUND President Coolidge asked yesterday that the $10,000,000 for fighting the European corn borer be made immediately available, according to the press to-day.

SHIP POLICIES Senator Jones of Washington yesterday introduced two bills for Government ownership and operation of a merchant marine, and for private ownership and operation, under a Federal subsidy. Addressing the Senate, he said that in view of the apparent impossibility of adopting a subsidy, he believed the development of a merchant marine was so important he was prepared to support Government ownership. (Press, Feb. 11.)

Section 2

Cotton Acreage

An editorial in The American Fertilizer for February 5 says: "A bulletin issued last week by the Department of Agriculture discussed the problem of cotton in a rather pessimistic spirit. The department thinks a 30 per cent reduction in acreage is desirable. No such reduction is in sight. The most profitable cotton grown in 1926 was in Texas and parts of Arkansas and Louisiana where high-grade cotton was grown on comparatively new delta land. These growers found this year's prices profitable, and have no special reason for reducing their acreage. There will be a smaller acreage planted in parts of Texas, but it will be offset by new plantings in other districts. The only worthwhile reduction in acreage will be in the Southeastern States, and there the problem is complicated by the difficulty of finding another profitable money crop. Thousands of carloads of produce were shipped from these States in 1926 to northern markets, only to be sold by the railroads for freight charges. At some part of the season there was a surplus of nearly every vegetable except potatoes. The South needs cooperative marketing of perishable vegetable crops far worse than it needs cooperative marketing of cotton, yet considerable progress has been made with the latter and very little with the former...."

Cotton in Egypt

A Cairo dispatch to the press February 9 says: "The Cabinet February 8 had under discussion the report of the finance committee, which sounds a note of pessimism, although this is not altogether regarding the immediate future of Egypt. The fall in cotton has decreased the wealth of the country and the purchasing power of the inhabitants, and this has seriously affected the revenue from the customs, railways and other national resources. Nevertheless, the committee considers that the general condition of the country is better than that of some other countries."

Cotton Prices

An editorial in The Textile World for February 5 says: "Acreage, weather and growing conditions, and prospective yield of the next cotton crop, with probable consumption and carryover of the current crop, are factors that will exert greatest influence upon the trend of futures prices and attract greatest trade interest during the balance of this season, but for those manufacturers who require the longer staples and higher grades of good-character cotton the factors mentioned are of secondary importance to the available supply and prices of these particular selections, and their prices are relatively high and their supply appears to be relatively small. There are two features of the status of the latter class of cottons that are deserving of emphasis: One is that their prices are relatively so much higher than those of futures and the short, low grade staples that buyers of combed and fine-count yarns and cloths must not expect to purchase on a basis of future prices; the other is that such relatively high prices are reasonably certain to encourage maintenance or increase of acreage of such cottons and a possible decline in premiums next season to a basis more nearly proportional to that of futures. There will be further encouragement for planters of premium and extra staple domestic cottons if the Egyptian Government's efforts to reduce acreage give promise of success."

McNary-Haugen Bill

1 An editorial in The Wall Street Journal for February 9 says: "McNary-Haugen plan for farm relief by legislation stands in a stronger position than ever before. It has been skilfully manoeuvered to where it will receive consideration. Its passage is a doubtful matter, but at least it has a fighting chance, which it never had before. It is something now to be taken seriously. Washington newspaper correspondents have referred to the likelihood of some who are secretly opposed to the bill but will vote for it. The idea is to go on record as favoring it in order to square themselves with farmer constituents, and trust to the President to veto it. This, of course, would shift the bonus to his shoulders. That is rather a dangerous evasion of duty. President Coolidge might do as Mr. Cleveland once did. He might refuse to sign it, but let it become a law without his signature and leave the responsibility with those who enacted it. It is to be hoped that no one representing the people in Congress will sidestep duty in that way. The farmers, whether for or against the McNary-Haugen bill, are entitled to a clean-cut decision on the merits of the bill or the plan it sponsors. So, also, is the country in general. If it is a plan that will be beneficial to the farmers and to the country, then it should be enacted. If it will not give the relief that its sponsors claim, it should be defeated, and by legislative votes....Surpluses must be disposed of in foreign markets. Can we control the world? The world can get all the corn it wants outside the United States. Raise the price of pork and it will stop buying. In regard to wheat we are in a more favorable position, but even there the world is not dependent upon us. Raise the price and Canada, Australia and Argentina would cheerfully expand their acreages. Our monopoly of cotton is not complete. In the future we will hold it only so long as we produce superior staple at a lower price than the rest of the world. Passage of this bill might have a temporarily bullish effect from sentimental reasons. It would be only froth which would quickly disappear, and the reaction would take heavy toll from the farmers. This is something that, if the bill does pass, may come true. Who will bear the responsibility? If it passes through any sidestepping votes, no one could find fault with the President if he permitted it to become a law without his signature."

2 An editorial in The Washington Star for February 9 says: "If sauce is equally good for goose and gander, the economic theory embodied in the McNary-Haugen farm relief bill is as applicable to other industries as to agriculture. Why not an equalization fee on every ton of bituminous coal in order to enable high-cost mines to compete with low-cost mines, storing the ever-accumulating surplus or dumping it abroad and requiring American coal consumers to foot the bill? And when the coal industry had been cared for, the cotton spinners, who just now are hoeing a hard row, would probably be found standing in line, with others hurrying up to get in on the good thing while the getting continued good. The McNary-Haugen economists apparently still cherish an abiding faith in the ability of any number of families to sustain themselves by taking in each other's wash....Informed opinion which has not been blinded by prejudice holds that farmers generally would be abundantly satisfied if Congress would pass the Curtis-Crisp bill, which provides a revolving fund for the orderly marketing of surpluses, but avoids both Government price fixing and the equalization fee of doubtful constitutionality...."

McNary and McFadden Bills

In an editorial entitled "What Price McFadden?" The Journal of Commerce for February 10 says: "....The first element in the price paid for the McFadden bill is the effect it will have upon the general lending conditions at national banks and through them at other banks. It loosens up and endangers these lending conditions by weakening the restrictions which have heretofore surrounded them. Then it further endangers our savings deposits by allowing an undue proportion of them to go into real estate without adequate safeguard. Finally, it embarks the national banks in the hazardous business of investment banking without any proper protection.....A second element of cost is now suddenly brought before the country. The farm relief bill--the outgrowth of the unspeakable McNary-Haugen measure--would never have forced itself to the front but for a bargain with McFadden bill supporters, whereby the latter bill insured the same kind of treatment that was to be given to the farm measure. No one can tell what the McNary-Haugen bill will cost, but everyone who reads the measure with half an eye knows that it will be outrageously expensive in money. It will be too high a price to pay for even the most desirable banking measure that could be planned. To pay that price merely for the sake of putting through a bill which is itself of doubtful usefulness in its best aspects and is very likely to produce hazardous, if not disastrous, consequences to the banking community is almost unthinkable, yet so it goes. We are in somewhat the position of the customer at a shop who is led to purchase an article he does not want at all by the offer of a premium for which he has no use..."

New York Milk Charges

The New York Times of February 10 says: "The action of Commissioner Berne A. Pyrke of the New York department of agriculture and markets in revoking the license of the Smith Brothers Milk and Cream Company, Inc., followed by similar action on the part of Health Commissioner Harris, bears out the campaign charges made by Ogden L. Mills last fall, it is asserted by the Republican State Committee's bureau of statistical research....."

Production Control

An editorial in The Nebraska Farmer for February 5 says: "The purpose of those who are trying to help the farmer by legislative means is to make some disposition of the surplus. The best way to dispose of it is not to have a surplus. That is the way industry views it and production is timed accordingly. To be sure, there are occasions when there is overproduction in all lines, but these times come less frequently than they once did and with the control that industry has secured over its productive agencies, especially labor, they will occur still less frequently in the future. Legislating against the surplus will not avail unless the State wants also to prevent farmers from tilling all of their land. The productive capacity of the farm generally has not been realized upon. With improved facilities at hand and profitable prices guaranteed, it would grow entirely out of proportion to population or human needs. Then the whole scheme of State price fixing would fall of its own weight."

Texas Cotton Crop

An editorial in The American Fertilizer for January 22 says: "The cotton-growing contest in Texas, which has been carried on for the past four years by The Dallas News, grows more popular each year, and demonstrates more clearly each year the possibilities of the Texas cotton crop. When two bales of lint, with a staple more than an inch long, can be grown on an acre of bottom land, without fertilizers and with a minimum of cultivation, it is evident that the upland cotton planters in the Southeastern States have a tremendous handicap to overcome....."

Section 3
MARKET QUOTATIONS

Farm Products

February 10: Maine sacked Green Mountain potatoes ranged $2.60 to $2.90 per 100 pounds in eastern cities; bulk stock mostly $2 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.90 to $2.10 carlot sales in Chicago; $1.65 to $1.85 f.o.b. Waupaca. New York Rhode Island Greening apples firm at $3.75 to $4.75 per barrel. New York and midwestern yellow varieties of onions $2.50 to $3 sacked per 100 pounds in consuming centers; $2.50 to $2.65 f.o.b. Rochester. Cabbage prices irregular. New York Danish type sold between the extreme of $12 to $23 bulk per ton in terminal markets; $10 to $12 f.o.b. Rochester. Florida Wakefields $1 to $1.50 per 1 1/2 bushel hamper in the East.

Chicago hog prices closed at $12.60 for the top, beef steers ranged from 25 to 50¢ higher, heifers steady to 25¢ up and cows steady to 15¢ higher. Vealers are weak to $1 lower and heavy calves 50¢ higher. Stocker and feeder steers are weak to 25¢ lower. Fat lambs are strong to 25¢ higher, yearlings about 10¢ higher, fat ewes 50¢ higher and feeding lambs 10¢ lower to 25¢ higher than a week ago.

Closing prices on 92 score butter: New York 51¢; Chicago 49 3/4¢; Philadelphia 51 1/2¢; Boston 51 1/2¢.

Grain prices quoted February 10: No.1 dark northern Minneapolis $1.40 to $1.47. No.2 red winter St.Louis $1.37. No.2 hard winter Kansas City $1.37. No.3 yellow corn St.Louis 74¢; Minneapolis 74¢; Kansas City 72¢. No.3 white oats St.Louis 46¢; Minneapolis 44¢; Kansas City 45¢.

Average price of Middling spot cotton in 10 designated markets declined 7 points, closing at 13.49¢ per lb. March future contracts on the New York Cotton Exchange declined 9 points, closing at 13.84¢ and on the New Orleans Cotton Exchange they declined 10 points, closing at 13.91¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 10,	Feb. 9,	Feb.10,1926
20 Industrials	155.53	155.29	161.58
20 R. R. stocks	124.29	124.17	111.11

(Wall St. Jour., Feb. 11.)

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DAILY DIGEST

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Vol. XXIV, No. 36 Section 1 February 12,1927

THE MCNARY-HAUGEN BILL

The New York Times to-day reports: "Reversing its attitude of last June, when the McNary-Haugen farm relief bill was defeated by six votes, the Senate late yesterday afternoon passed the bill by 47 to 39, or a majority of eight, thus doubling the margin the most optimistic had expected. Twenty-four Republicans, 22 Democrats and Senator Shipstead, the Farmer-Labor member, voted for the bill, and 22 Republicans and 17 Democrats against it. Six Democrats--Senators Fletcher, Ransdell, Robinson of Arkansas, Sheppard, Smith and Trammell--who opposed the bill in June voted for it yesterday, while Senators Heflin and Overman, who supported it at that time, appeared in the 'nay' column.

"By decisive votes the Senate killed not only the Harrison proposal to defer the equalization fee on cotton for two years, but a proposal to postpone the fee on all the basic commodities for two years, and another proposal to make the postponement one year. The Curtis-Crisp substitute, favored by the administration, was beaten by a vote of 54 to 32.

"An amendment by Senator McKellar allowing the Federal Farm Board established under the bill to defer the equalization fee until it became satisfied that a majority of the producers of the commodity desired it was accepted by a viva voce vote. This was looked on as a compromise between the Democratic factions who wished the fee imposed on the bill's passage and those who wished it deferred. The Senate bill probably will be offered in the House as a substitute for the bill now being discussed there and on which indications are that a vote will be reached next week. It is hoped by this move to prevent the necessity of a conference between the two Houses...."

PHILADELPHIA CHAMBER URGES FARM BILL'S DEFEAT

A Philadelphia dispatch to the press to-day says: "Directors of the Philadelphia Chamber of Commerce sent telegrams yesterday to members of the Pennsylvania delegation in Congress appealing to them to vote against the McNary-Haugen farm relief bill. 'The McNary-Haugen bill is uneconomic and unsound,' the chamber's message said, 'because it would result in the injection of Government agencies into the conduct of business, and would mean the establishment of still another Government bureau or agency to regulate and control one phase of American business, thus violating the principle for which American business has been striving.'...."

THE MILK BILL

The press to-day reports that the Taber-Lenroot bill to regulate importation of milk was approved yesterday by the House and sent to the President. Immediately following passage of the bill Representative Bloom asked President Coolidge to hear Doctor Harris, Health Commissioner of New York City, before he took up the measure for approval or disapproval. The President said he would be glad to receive Doctor Harris Monday. The report adds: "The transfer of the fight over the milk bill to the White House probably means that proponents of the measure also will be heard by the President if Doctor Harris presents arguments that impress him...."

Section 2

British National Farmers' Union

An editorial in The Field (London) for January 27 says: "The annual general meeting of the union was held in London on Wednesday of last week, when the report and balance sheet were received for 1926. The affairs of the union are in a satisfactory state, judged both by the level of membership and by its bank balance, so that the retiring president, Mr. Langford, and his colleagues at 45 Bedford Square, have cause for self-congratulation....The main concern of the National Farmers' Union must now be to place the business side of farming on a sound basis. This is not an easy task--the failure of several farmers' cooperative enterprises in the past is a haunting spectre--but it is by organizing the buying and selling side of farming that the union can be of greatest use to the individual farmer. The British farmer has little or nothing to learn from abroad about methods of land cultivation or of stock-breeding, but his marketing problems still remain in a hopeless tangle. He is at the mercy of organized merchants when he buys his feeding stuff or manures, and again when he comes to sell his crops, stock or milk. The National Farmers' Union can set its hand to no more useful work than that of organizing buying and selling, so that the individual farmer will no longer do business at the whim of organized combines of traders. Farmers in overseas countries, particularly in two or three of the Dominions, have by combined action found themselves able to regulate the price fluctuations of the market with some measure of success. The problem here is a vastly different one--there is no distant market which necessitates loyal cooperative organization--but there can be no disputing that in this world of business combines the British farmer must organize if he is to live....The National Farmers' Union can justify its existence in no more useful fashion than by encouraging and organizing better business in farming."

Hog and Corn Prices

An editorial in The Wall Street Journal for February 10 says: "Prices of hogs average $12.20 a hundred pounds at Chicago. While this is slightly below the level of last year, it compares with $10.60 in 1925 and $7.00 in 1924. The corn belt farmer who had the hogs to consume his grain has had a good market. The way to maintain those conditions for another year is not to rush into a great expansion in production of either corn or hogs. In planning production, it is natural to look at present prices. But the farmer must remember that the corn and hogs yet to be raised will be sold under conditions existing some time in the future instead of to-day. All indications point to a continuance of good prices for hogs, but nothing can be seen in prospect that would justify any increase in the numbers. In the year ending with December, the exports from the United States of bacon, hams and shoulders were considerably smaller than in 1925. There is nothing in the foreign outlook to guarantee belief in anything better for the coming year. Great Britain may buy more pork products, but on the other hand there has been a considerable increase in hog production in the principal producing countries of Europe. The situation, therefore, plainly shows that there is not likely to be an increased foreign demand for American pork products. The domestic demand should not differ materially from that of a year ago, except for lard, which may have

to compete with cheaper cotton seed oil. So, taking all things into consideration, consumer demand, while comparatively large, can not be any larger than a year ago, and if anything, a little smaller. Hogs and corn are raised to sell, and if, with a market outlook for no increased demand, the producers greatly expand their production, they are sure to glut the market and reduce their prices."

Livestock Sales

"The public sale has come to be recognized as one of the very best means of increasing the numbers of purebred animals on farms. It stimulates increased interest in the better kinds of livestock. Sales focus the attention of large numbers at times when buying is most often done. The publicity given to large sales permits a comparison of the common kinds with the better kinds. All told, the public sale has done much to help disseminate purebred animals." (Wisconsin Agriculturist, Jan. 29.)

Lobjoit to Head British Farmers' Union

The Field, (London) for January 27 states that W. G. Lobjoit is retiring from the post of Controller of Horticulture at the Ministry of Agriculture, which he has held in an honorary capacity for the past six-and-a-half years, to take up work with the National Farmers' Union. The announcement says: "This change is a loss to the Ministry, but it should prove a valuable accession of strength to the business side of the union. Mr. Lobjoit has shown a keen interest in the development of the fruit and vegetable industries, and he will now be in a position to bring home to farmers the need for improved methods of marketing. The Minister of Agriculture has appointed H.V.Taylor to be Horticultural Commissioner to the Ministry in the place of Mr. Lobjoit."

Penney Farm Experiment

"How One Man--J.C.Penney--is Solving the Farm Problem for Hundreds" is the title of an article by John C. Snowhook in Manufacturers Record for February 10. In this the author says: ".... During the past two years a model dairy (in Florida) has been established, with 2,500 head of range cattle and 75 blooded Guernsey cows. A great poultry farm has been brought into existence, its product taking first prizes at the recent Florida State Fair. The Penney Farms Railroad has been rebuilt, connecting with one of the large trunk-line roads. A large cannery has been purchased. The new highway between Penney Farms and Green Cove Springs has been built in connection with the 100 miles of new roads under construction in Clay County. The Institute of Applied Agriculture has been established and farmers have been brought from 24 States in the Union and established on completed farms. Farming equipment, tractors, mules, harrows, plows have been purchased to supply the needs of the community and relieve the individual of overhead burden. But farther reaching than all this is the chemical and bacteriological soil analysis now being made which will put the entire tract under the closest survey....Thus a new era of agricultural development is being opened up in Clay County, Florida, in the rich artesian belt of the St.Johns River Valley, where for half a century tourists have been attracted by the beauty of its terrain, and where within 75 miles of Penney Farms lives one-fourth of the entire population of the State. At Penney Farms a memorial group of 21 buildings, containing 104 modern apartments, artistically furnished, and a chapel are being completed at a total cost of approximately $1,000,000.

These are to be occupied, rent free, by retired ministers and their families, with a plot of land to grow fresh vegetables for tables and flowers to decorate their homes!...Though the farm development has been called paternalism, and even socialism, the department-store founder declares it contains the soundest of purely American business principles...."

Southern Milk Plants

An editorial in Manufacturers Record for February 10 says: "Three large milk-condensing plants established in the South by the great milk concerns of the country is one of the suggestive facts in connection with southern development which shows that, while cotton mills and iron works and paper mills are looking to the South as a field of activity, other industries equally as important in their influence upon the future of the South are also being established there. A few weeks ago we announced that the Carnation Milk Products Company, one of the great milk concerns of the country, would build a $500,000 plant at Murfreesboro, Tenn. A little later came the announcement of another large milk-condensing plant by the same company to be located at Tupelo, Miss. Some months ago we gave particulars in regard to a $750,000 milk plant established at Starkville, Miss., by the Borden Company. There are other plans under way for establishing milk plants and large dairy interests which have not yet been announced. The Southern Dairies, Inc., one of the great milk and ice cream concerns of the country, has for the last 12 months or more been steadily expanding its operations in various Southern States, and has under consideration other plants not yet definitely located. All of this means that the strongest dairy and cattle interests in the country are beginning to concentrate their work upon the enlargement of dairying operations, the establishment of condensed milk plants and ice cream factories and all that goes with all of these industries in the South....."

Tuberculosis in Poultry

An editorial in The Wisconsin Farmer for January 20 says: "Wisconsin is considering what steps to take in a limited and experimental way to undertake area clean-up campaigns against tuberculosis in poultry. Some other States, notably Iowa, South Dakota and Nebraska, have undertaken systematic work along this line....It is argued that losses in diseased poultry are passed on in some form or another by the dealer to the producer....To date Wisconsin's activity in this direction has consisted of isolated attempts to control tuberculosis in poultry resulting from tests made at the Wisconsin Experiment Station laboratory on request. Now the Wisconsin Department of Agriculture is feeling its way in this direction and will try a limited area test and control program in one township of Jefferson County at least. There is a realization that poultry with this disease are an economic loss and a threat in general. The difficulty comes in attempting to stage a State-wide campaign before the cattle test campaign is finished. It is not only a lack of funds but absence of knowledge and demand for this movement which makes the initial program take on a slow start...."

Wallace on Farm Situation

An Associated Press dispatch to-day from Ithaca, N.Y., says: "Forgiving allied war debts is one solution of farmers' troubles, Henry Wallace of Des Moines, Iowa, told those attending the farmer's week convention at Cornell University yesterday. He suggested five treatments of the farmers' situation, which were summarized as follows: Cutting down on the production of wheat, pork and cotton. Taking the tariff off manufactured products which Europe can furnish. An export corporation or export bounty 'to enable Europe to buy our farm products at one price level whereas our domestic consumer would be charged another and a higher price,' which the McNary-Haugen bill was 'designed to accomplish.' Partially meeting the situation by forgiving the European countries the debts they owe America on Government account. Let things alone, as was being done at present."

Section 3
MARKET QUOTATIONS

Farm Products

February 11: Maine sacked Green Mountain potatoes $2.60 to $2.90 per 100 pounds in eastern markets; bulk stock mostly $2 f.o.b. Presque Isle. New Jersey yellow varieties of sweet potatoes $1.25 to $1.85 per bushel hamper. Tennessee Nancy Halls $1 to $1.25. New York Danish type cabbage about steady, at $18 to $23 bulk per ton in terminal markets; weaker at $10 to $12 f.o.b. Rochester. New York Rhode Island Greenings $3.50 to $4.75 per barrel; Baldwins $3.25 to $4.25. Eastern Yorks and Staymans $2.25 to $3. Michigan Jonathans $5 to $5.75 in Chicago.

Chicago hog prices closed at $12.20 for the top, better grades of beef steers are steady to 25¢ lower, while lower grades are steady to 25¢ higher; heifers are generally steady to 25¢ lower; cows steady to slightly lower, vealers steady to 50¢ down, heavy calves and stocker and feeder steers unchanged.

Closing prices on 92 score butter: New York 51¢; Chicago 49 3/4¢; Philadelphia 51 1/2¢; Boston 51 1/2¢.

Grain prices quoted February 11: No.1 dark northern Minneapolis $1.40 to $1.47. No.2 red winter Chicago $1.35. No.2 hard winter Chicago $1.40. No.3 yellow corn Chicago 74¢; Minneapolis 74¢. No.3 white oats Chicago 45¢; Minneapolis 44¢.

Average price of Middling spot cotton in 10 designated markets declined 4 points, closing at 13.45¢ per lb. March future contracts on the New York Cotton Exchange declined 6 points, closing at 13.78¢ and on the New Orleans Cotton Exchange they declined 6 points, closing at 13.85¢. (Prepared by Bu. of Agr.Econ.)

Industrials and Railroads

Average closing price	Feb. 11,	Feb. 10,	Feb. 11,1926
20 Industrials	156.05	155.53	162.31
20 R.R. stocks	124.80	124.29	111.33

(Wall St. Jour., Feb. 11.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXIV, No. 37 Section 1 February 14,1927

THE MCNARY-HAUGEN BILL The Associated Press to-day says: "An effort to sever by parliamentary procedure the legislative red tape of Congress will be resorted to this week in the hope of placing the McNary-Haugen farm relief bill in the hands of President Coolidge before Saturday night. Buffeted for three years at both ends of the Capitol, the measure now holds the most preferred position of its legislative career, having been passed by the Senate and rapidly approaching the voting stage in the House. Pursuing their advantage, its supporters plan to-day to initiate a parliamentary manoeuver to substitute the bill as approved by the Senate for the companion measure now under discussion in the House. Chairman Haugen of the agriculture committee will appear before the House rules committee to request a resolution to authorize this substitution. House farm leaders, confident that this will be granted, then propose to move the substitution on the floor. At this juncture will come an indication, but not a conclusive test, of the bill's strength. The substitution is sought in an effort to send the bill through the House exactly as it passed the Senate. Should this be accomplished the measure would go immediately to the White House. This would avert the necessity of sending the bill to conference with the Senate for adjustment of differences, a tedious procedure and one likely to threaten final approval of the bill this near the end of Congress....."

The Baltimore Sun to-day says: "Difficulties which may conceivably prevent passage of the McNary-Haugen farm legislation at this session present themselves, as the House is preparing to follow the Senate this week in voting on the bill. With but two and a half weeks of the present Congress remaining, opposition to the bill will take advantage of every opportunity to bring about its defeat. The present parliamentary status offers several opportunities, although no one can tell definitely how effective they may be. Some of the Democratic opposition, however, is expected to vote for the bill, with the view of making sure that President Coolidge is placed in a position where he must either approve a bill to which he is openly opposed or veto it, and thus possibly incur the farmers' wrath. The House rules committee will meet tomorrow to report a rule authorizing substitution of the McNary bill, passed by the Senate, for the Haugen bill, pending in the House. Without the rule unanimous consent, obviously impossible, would be required for this move. This would facilitate the situation if the House were willing to accept all the Senate amendments, but, should any changes be made in the bill as passed by the Senate, it would have to go to the Senate for concurrence. If concurrence were withheld the bill might be sent to a conference committee of the two houses, which would involve still further difficulties. Mr. Haugen has announced he would accept the Senate amendments, though he is bitterly opposed to some of them. Whether others in the House will accept them, however, remains to be seen...."

MUSCLE SHOALS BIDS REJECTED The Associated Press to-day reports that a House military subcommittee decided February 12 that it could not recommend in their present form either of the bids of the American Cyanamid Co. or the Farmers Federated Fertilizer Corporation for the Government's Muscle Shoals properties in Alabama.

Section 2

Bakery Profits

The Associated Press of February 12 reports that annual earnings of wholesale bakeries in the United States averaged 15 per cent on the investment from 1920 to 1925, the Federal Trade Commission estimated in a report sent February 11 to the Senate in response to a resolution of Senator LaFollette. If only the strictly baking investment is considered, the report said, the earnings would show an annual average of 25 per cent.

Beef and Dairy Cooperation

An editorial in The Western Breeders Journal for February 3 says: "At the annual meeting of the American National Livestock Association last week O.M.Plummer made a proposal that, in our opinion, is more important by far than is yet apparent to most of those concerned. Further, it is just the sort of an idea that we expect from Mr. Plummer. His idea, as we understand it, is that the beef cattle people and the dairy people should get together to work out certain problems that affect them both; both of them at this time, for instance, are interested in the 'Truth-in-Meat' movement and the butter-substitute controversy. Mr. Plummer managed to get executive committee action while attending the convention that will result shortly in a conference, national in scope, between the dairy producers and the beef cattlemen. All of the details are not yet available, but the principle of the thing appeals to us strongly. It is a practical measure of the kind that it takes an idealist to conceive. ..."

British Beet Sugar Industry

Country Life (London) for January 29 says: "Much has been written about our newest agricultural industry, but it is very doubtful whether the whole country sufficiently realizes that in the growing development of the beet sugar industry agriculture is entering on a new era. Statistics are often cold and uninteresting, and the fact that last year 128,500 acres were growing sugar beet, compared with 8,000 acres in 1922, by no means gives the full extent of its influence. There are two things which count particularly. Agriculturists have an assured market for a commodity at an assured price, which is fixed before the season commences. Furthermore, the crop can be introduced into the system of farming without occasioning any unheaval of rotation or decline in the stock food of the farm. Agriculturists in this country often labor under the disadvantage of having been concerned with the development of systems of farming which others have perfected. In the case of sugar beet, however, the position is reversed, in that this industry has been highly developed on the Continent, and, therefore, growers and manufacturers alike are able to utilize the experience accumulated by Continental growers and manufacturers over a period of a century....Starting under favorable circumstances, and having obtained the services of the best experts in the world, the industry is making progress by leaps and bounds. During the present extracting season all the factories have been working at full pressure, and the average season extends from October till the end of January. In the case of the Colwick factory, work will not finish until well into February, and a recent visit to this factory demonstrated how sugar production in England is rivaling the best efforts of the Continent. The manufacture of sugar provides an example of mutual interdependence. The existence of the factory is conditional on the supply of suitable raw material, and the production of

a high quality product which can compete in the best markets. There is no question about the ability of the product to find a ready trade, and consequently the grower and the manufacturer are the two most important partners."

Cooperation in Minnesota

An editorial in The Farmstead, Stock and Home for February 1 says: "The growth and present magnitude of cooperative manufacture and cooperative marketing of farm products here in Minnesota has reached proportions that are scarcely appreciated among ourselves. The total value of business transacted has reached figures so large they are difficult to comprehend. The total value of the farm products in Minnesota that were marketed cooperatively during 1925 reached the sum total of $259,980,000. A single cooperative selling organization, the Central Livestock Commission Company of South St.Paul, transacted $40,980,877 worth of business during the past year. The Land O' Lakes creameries manufactured and handled $40,000,000 worth of dairy products in 1926. The Twin City Milk Producers' Association handled $8,600,000. worth of milk. The Lake Region Cooperative Egg and Poultry Exchange did a business valued at over $3,000,000 , and so it goes. And through all the annual reports, there is the pleasing record of gains made over previous years...."

Cooperative Shipping Associations

An editorial in The Wisconsin Agriculturist for February 5 says: "Cooperative shipping associations have grown in Wisconsin as they have grown in their native State, Minnesota. It is to be expected that some of the largest associations would be found over in the counties bordering on the Mississippi River. One such an association is the Elmwood Shipping Association, which has just completed its seventeenth year....The year's report shows that 20,048 hogs were handled, 3,699 calves, 926 cattle and 1,168 sheep. That was a total of 25,841 head of livestock. The farmers around Elmwood received, net, for these animals $493,584.32. That indeed is a tidy sum for the 291 cars of stock shipped for slaughter and the 611 head that were sold out of the local yards. This volume of business was done with an expense of only 5.7 per cent to the farmers...."

Corn and Hogs

An editorial in Wallaces' Farmer for February 11 says: "George Roberts, who probably knows more about the Iowa farm situation than most eastern bankers, has recently spoken of the unusual profits in feeding corn to hogs. He mentions the fact that corn prices are low because there are not enough hogs on the farm and horses in the city to eat the corn. He then goes on to say that this situation indictes 'that the remedy for the low price of corn is to be found on the farms rather than in Washington.' There are many breeders and feeders of livestock who talk the same way as Mr. Roberts. What they fail to realize is that if the hog population were increased to a point sufficient to make corn profitable, then hog prices would be decidedly low. Hog prices to-day are just about as far above pre-war as the prices of most things which farmers buy. While hog prices are far above their normal relationship to corn, they are not at all too high in comparison with most manufactured commodities. The common sense thing to do, and the thing which the United States Steel Corporation would do if it were running all the farms in the United States, is to hold the number of hogs where they are now, and cut the number of acres in corn to a point where they will feed this number of hogs at

a price equivalent to about a dollar per bushel at Chicago. Unfortunately, there are several million farmers producing corn and hogs, and they can't get together to do what the United States Steel Corporation would do under a similar situation. They lack centralizing power...."

Fox Branding Reported Needed — A Denver, Colo., dispatch to the press of February 13 says: "Western 'fox rustlers' soon may run afoul of the law, cattle thieves fear. A bill has been introduced in the State legislature to augment the sizzling branding iron used to mark roving cattle with registered tattoo marks to identify stray foxes. The brands would be placed in the ears of the fur bearers which prove so adept at escaping from pens. Fox farm owners say the industry has reached such proportions in the Rocky Mountain region that identification of the animals is necessary. One fox pelt often brings as much as a small herd of range cattle."

McNary-Haugen Bill — An editorial in The Baltimore Sun for February 12 says: "If legislation could provide a relief for farming conditions, the country would welcome it. But what it is now witnessing is enactment of a law involving Government subsidy to the extent of $250,000,000 and passage of which is due chiefly to politics, to persistent pressure from those who expect to benefit from the money, to cowardice and readiness in Congress to pay whatever price is demanded to be rid of the agitation. The farmer's condition being admittedly bad, something must be done for him. The farmer was entitled to a vote on this panacea, but there is grave disappointment at surrender of the Senate to a measure which both houses of this Congress once before defeated and denounced as price-fixing, as a Treasury raid, as economically unsound and as certain to defeat its own ends. There is some reason to believe that a considerable body of support was brought to the bill because of belief that either the President would veto it or the courts would find it unconstitutional. Nevertheless, nothing the Senate has done in years has served more to lower public confidence in its courage, its wisdom and its stability...."

Tuberculosis Eradication — "Rhode Island has a wonderful opportunity before it. Last year some 7,000 cattle were tested, almost a fourth of its cattle population. With adequate appropriations for this purpose this State has the possibility of being the first in the Union to clean its herds of the disease and to announce to the world that it is fully accredited bovine tuberculosis free...." (New England Homestead, Jan. 29.)

Wool Market — The Commercial Bulletin (Boston) for February 5 says: "There is a fair, steady demand for wool in the eastern seaboard markets, which keeps prices very firm, although endeavors to advance prices, except on some foreign wools, have met with decided resistance on the part of the mills, and it is difficult to see where prices are quotably dearer this week than last on domestic wools. The slight increase in strength in the foreign markets again this week has added to the confidence of holders of foreign wools here. London closed at the top for the series and about 5 per cent above opening prices. Primary markets tend against the buyer. Contracting has proceeded in the West this week with very slight advances in some sections, possibly a half cent for the best wools. Fully ten million pounds under contract."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended February 12: Maine sacked Green Mountain potatoes closed at $2.50 to $2.85 per 100 pounds in a few eastern cities; bulk stock mostly around $2 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.90 to $2.10 carlot sales in Chicago; $1.70 to $1.80 f.o.b. Waupaca. Apples generally steady. New and Michigan Rhode Island Greenings $4.50 to $4.75 per barrel, and Baldwins $4 to $4.25 in Chicago. Cabbage fairly steady. New York Danish type sold generally around $18 to $23 bulk per ton in distributing centers; $10 to $12 f.o.b. Rochester. Onions irregular. Midwestern yellow varieties $2.35 to $3.15 sacked per 100 pounds in city wholesale markets.

Top price of hogs at Chicago to-day at $12.10 are about 50¢ lower than a week ago and 10¢ lower than yesterday's top. Compared with a week ago, beef steers are fully steady, heifers 25 to 50¢ higher and cows 25¢ higher. Vealers, heavy calves and stocker and feeder steers are steady at last week's prices. Fat lambs and yearling wethers mostly steady, fat ewes steady to 25¢ higher and feeding lambs strong to 15¢ up.

Hay markets easier with bulk of offerings medium to lower grades. Top grades firm but scarce. Alfalfa offerings medium to lower grades exceed demand and prices draggy. Prairie top grades firm and in light supply. No.1 timothy Boston $25.50; New York $26; Pittsburgh $20.50; Cincinnati $18.25; Chicago $21.50; St.Louis $20.50; No.1 alfalfa Kansas City $19; Omaha $19.50. No.1 prairie Kansas City $15; Omaha $17.50.

(No cotton or grain reports account of Lincoln's Birthday holiday.) (Prepared by Bu. of Agr. Econ.).

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DAILY DIGEST

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Vol. XXIV, No. 38 Section 1 February 15,1927.

THE MCNARY-HAUGEN BILL

The New York Times to-day reports: "Another broadside against the McNary-Haugen farm relief bill pending in the House, was let loose by the administration yesterday in a final effort to beat the measure and prevent its transmittal to the White House for the approval or disapproval by President Coolidge. As in May, 1926, Secretary Mellon acted as spokesman for the administration in explaining that the McNary-Haugen plan was unsound, difficult, if not impracticable of administration, and likely to bring into being an army of Federal employees.

"Another development in the farm situation yesterday was the action of the House rules committee in adopting a special rule under which the Senate farm bill may be substituted for the pending House bill. A test vote will be taken on this rule to-day. If it is adopted, as now seems certain, the McNary-Haugen bill will go to the White House just as it passed the Senate.

"A third development was the announcement by Representative Jacobstein, one of the nine New York Democrats who voted against the McNary-Haugen bill in May, 1926, that he would vote for it now, although he regarded it as a 'gold brick.' Mr. Jacobstein declared the time had come when the farmers' demands should be heeded, even though the plan might prove abortive when attempt was made to put it into practical operation.

"Secretary Mellon outlined his views on the farm bill in a memorandum prepared in the office of the Commissioner of Internal Revenue and addressed to Representative Chindblom of Illinois, a member of the committee on ways and means. The memorandum set forth these points: That the estimated annual cost of the administrative organization created by the bill would be $790,000. That collection of the equalization fee would require a trained body of governmental specialists as investigating agents, which might be compared with the present force of revenue agents of the Internal Revenue Bureau. That the collection of the equalization fee would be difficult and 'the impossibility of the collection of every cent of the equalization fee is apparent.' That the collection of the equalization fee from any one of the three mediums provided by the bill--transportation, processing or acquisition by sale--'has so many disadvantages that it is not possible to say which would be the least difficult.'...."

MUSCLE SHOALS BILL

The press to-day reports that a proposal for Government operation of Muscle Shoals for seven years was introduced yesterday by Representative Lowrey of Mississippi. The bill would set up a Government corporation, with the Secretaries of Agriculture, Commerce and War as directors, who would be given $25,000,000 with which to recondition and operate the nitrate plants for production of fertilizer. The corporation also would produce sufficient nitrates to supply the Army and Navy with ammunition.

ARBORETUM BILL

The press of February 14 reports that the bill authorizing the establishment of a national arboretum in Washington will be taken up by the House on Friday.

Section 2

British Foodstuff Law

A London dispatch to the press of February 14 says: "Many provisions of importance to American exporters of packaged foodstuffs are contained in the bill covering the weights and measures of foods sold in Great Britain, just passed by Parliament and approved by the Crown, to go into effect July 1. The act will apply to England, Scotland and Wales, but not to Northern Ireland. It was passed despite strong opposition on the part of the grocery trade. The act is aimed primarily at preventing the underweighing and measuring of foodstuffs, and although that object was not opposed by the trade, the proposed manner of enforcement and other provisions were objected to as placing a burden on the retailer....The new law requires that a statement as to weight or measure of prepacked food shall be a statement as to the net weight or measure, unless otherwise specified, and in certain instances definite quantities are specifically designated....."

California Cattle

An editorial in The Pacific Rural Press for February 5 says: "Some day, no doubt, California will be a great exporter of dairy cattle. It is admitted that we have more cattle on butterfat test than any State, and a very high level of production per cow, and more dairy production records than any State, and a climate which makes big, fine cattle possible, but last year this State sent out to other States and to Canada and bought 16,822 head of dairy cows. This year this importation will be greatly exceeded, it is estimated. ...The other day a committee of dairy leaders met in San Francisco to consider the dairy business and its opportunities. The consensus of these forward-looking leaders was that in California there is more demand to-day for dairy farms than for any other kind of ranches, and a scarcity of good cattle to stock new dairy farms with if new farms resulted. Tuberculosis was the big limiting factor in the minds of these men....Meanwhile, California buyers have their eyes focussed on the cleaned-up areas of other States and a great home industry suffers....So dairying is on the soundest possible basis in this State if reasonably priced land and good cattle are available."

Communism in America

The New York Times of February 14 states that the American Communist movement, which was at its height in 1919, when it had a membership of 35,000, is at its lowest ebb to-day, with between 5,000 and 7,000 members, according to a survey of American communism made by James Oneal, labor historian and editor, and issued February 12 by the Rand School of Social Science, New York.

Foreign Butter

An editorial in The Chicago Dairy Produce (Chicago) for February 1 says: "Foreign butter hasn't called for much consideration in this market of late, but with the market up to 50c for immediate delivery goods, we are getting to a point where we must begin to think about foreign competition. New York has been thinking about it for some time, and the presence of a lot of foreign butter there has kept that market from advancing as rapidly, of late, as has Chicago. New York's foreign butter has been held off the market because it can not be released and cover cost at less than 50c, and to give holders a profit the price in New York must be 51c or better. We had word a while ago that a shipment of New Zealand butter is due

to reach New York about February 10. This butter is consigned to either this country or Canada, whichever market is the more favorable. Canada needs the butter to make up the shortage in its own make, but if the New York price should be favorable that market will get a good share of this shipment."

Grain Rates The press of February 13 states that an increase in grain rates sought by the Rock Island and Frisco Railroads between Oklahoma and Kansas points was denied February 12 by the Interstate Commerce Commission. New schedules which the railroads proposed to put into effect, but which the commission had suspended until March 17, were ordered canceled, and the present charges will be maintained. The railroads proposed to cancel joint through rates on grain moving from Kansas and Oklahoma points to Wichita and other milling centers in Kansas, for subsequent reshipment as flour. The cancellation would have left group rates to cover the movement, and this would have resulted, the commission said, in increasing by amount as much as 15 cents per hundred pounds the present charges. The commission's investigation sustained the protests of Kansas millers and the Wichita Board of Trade.

McNary-Haugen Bill Jesse E. Pope, Ph.D., in a critique of the McNary-Haugen bill in The Baltimore Sun for February 14, says:"....This sinister measure becomes the law of the land, not because real farmers have demanded it--a fact that for some amazing reason has escaped general attention--but because of the persistent clamor of a group of farm organization leaders, most of whom are, at this moment, quarreling over the almost unlimited office spoils which the bill makes available, because of the wholly selfish and short-sighted advocacy of bankers and business men west of the Alleghenies and in the South, who thus seek to recoup themselves at the expense of the Government for their own acts of folly....In the opinion of the writer the McNary-Haugen bill has, in addition to its unworkable and fantastic 'equalization fee,' many fatal effects. First, it is a surplus control bill, but no attempt is made to define surplus. The reason is apparent. Surplus is a function of price. To define it you must fix your price. The sponsors of this bill have been shot at so much that they are gun shy. They know that farmers object to curtailing production and will not have price fixing.... Secondly, this bill sets up a partnership between the Government and private associations or even individuals, the complexity of which is little realized even by its opponents. Not only is the Government to advance money to be administered by private agencies, but it must decide, among rival organizations, which is entitled to recognition. Under such circumstances even the wisdom of a Solomon would not avail. From the very nature of things any decision would be wrong. Closely associated with this second defect of the bill is a third; it assigns to the Government the role of prognosticator, speculator and prophet in general. If growers now protest violently against crop estimates based on current conditions, how great will be their clamor when the Government undertakes to fix prices on the basis of conditions a whole crop year ahead! Furthermore, these bills propose to substitute for private initiative, functioning for the most part automatically, the arbitrary action of a complicated Government machine. That is, by eliminating the speculator these bills would utterly disrupt the highly developed modern market for agricultural staples...."

Muscle Shoals An editorial in The Washington Post for February 14 says: "A subcommittee of the House committee on military affairs which has been considering bids for taking over Muscle Shoals has reported adversely. The details of the committee's deliberations have not been made public, but it is known that the proposals submitted to the committee contemplated further expenditures by the Government aggregating $75,000,000 or more. There seems to have been doubts as to the successful production of fertilizer by the use of Muscle Shoals power, in view of the fact that a cheaper and better method of fixing nitrates has been developed. If Muscle Shoals should be leased it is probable that the lessee would use the new method and devote the plant to the production of power alone....The joint committee of Congress has reported in favor of accepting a bid which would provide for power distribution and nitrate manufacture on an equitable basis. Why is this bid not accepted? The reopening of the question by a House committee, after it had been reported upon by the joint committee, merely adds to confusion and delay. If unsuccessful bidders are to be permitted to reopen the subject and submit new propositions, Muscle Shoals will never be disposed of. Congress has before it an acceptable bid, approved by the joint committee and the Government's board of experts, including the Chief of Engineers. No better plan for disposing of the plant has ever been devised. The maneuvering of rival power companies should be brought to a halt and the contract closed, so that the great plant at Muscle Shoals may be utilized for the public interest without further delay."

Overproduction and Efficiency An editorial in The Southern Cultivator and Farming for February 1 says: "Although the population of the United States has grown rapidly and the demand for food crops has increased proportionately, the production of crops has increased still faster. This increase has been in greater yields per cultivated acre showing that the farmer is becoming more and more efficient....Paradoxical as it may appear at first thought, the very thing that has caused overproduction must be depended upon to bring relief to the farmer, that is, efficiency. It is necessary in order to crowd out still more marginal or insufficient farmers. It is necessary to increase acre yields and otherwise practice economy to make any profit when there has been overproduction and low prices are to be faced. Efficiency is essential to make as much profit on a few acres as was made on a greater number of acres, now that production must be curtailed. The winning farmers of the next few years will be those who will invest in labor-saving machinery, in high grade fertilizers, in purebred, high producing seed, to the end that the acre yield will be increased and the cost of each pound of crop may be produced at a minimum cost. The farmer who is wise enough to get this idea fixed in his mind and acts on it will succeed and have no regrets....."

Wisconsin's Poultry An editorial in The Wisconsin Agriculturist for February 5 says: "The Wisconsin hen is doing her fair share in the work of food production, mortgage lifting and tax paying. Of the livestock and livestock product values, the poultry figures loom larger than most of us realize. In the $315,754,000 last reported as the total of these items for Wisconsin, poultry, eggs and meat are given at $41,932,480. The number of chickens on farms has nearly doubled in two decades and demand for fresh eggs and market meat has also increased, with prices on a steady rise. Is anything more needed to

indicate healthy progress in an industry? No greater return for the outlay is to be had from any other important branch of agriculture....."

Section 3

Department of Agriculture

The Burley Tobacco Grower for February says: "It gives us a great deal of pleasure to be able to reproduce on our front cover this month a letter from Secretary of Agriculture William M. Jardine to President Stone, in which this distinguished member of President Coolidge's Cabinet expresses his good wishes and those of the Department of Agriculture for the 'continued progress and prosperity' of our association. Mr. Jardine's observation that the phrase, 'In Union There Is Strength,' has definite application to agriculture as to every other industry, and shows that the Secretary knows the basic principle upon which the success of the farming industry must be founded. His assurance that the department of which he is the head can count on every help that any one in the department can give was not needed by the Burley association. He and his assistants have manifested that spirit at all times in matters in which the Burley association was interested...."

Section 4

MARKET QUOTATIONS

Farm Products

Feb. 14: Maine sacked Green Mountain potatoes sold at $2.50 to $2.85 per 100 pounds in eastern cities; bulk stock mostly $2 f.o.b. Presque Isle. New York Rhode Island Greening apples $3.50 to $4 per barrel in New York City; mostly around $4 f.o.b. Rochester. New York and midwestern yellow varieties of onions ranged $2.25 to $3 sacked per 100 pounds in consuming centers; $2.50 to $2.70 f.o.b. New York Danish type cabbage fairly steady at $15 to $23 bulk per ton in terminal markets; slightly weaker at $10 to $11 f.o.b. Rochester.

Chicago hog prices closed at $12.15 for the top, better grades of beef steers were slightly higher with lower grades, steady to slightly lower. Heifers and cows weak to 25¢ lower. Vealers steady to 50¢ higher, heavy calves steady and stocker and feeder steers steady to 50¢ up. Fat lambs are 10 to 25¢ lower, yearling wethers, and feeding lambs steady and fat ewes steady to 25¢ higher for the week.

Closing prices on 92 score butter: New York 51¢; Chicago 50½¢; Philadelphia 52¢; Boston 51½¢.

Grain prices quoted February 14: No.2 red winter Chicago $1.35. No.3 red winter Chicago $1.32. No.2 hard winter Chicago $1.40; Kansas City $1.37. No.3 yellow corn Chicago 73¢; Minneapolis 74¢; Kansas City 73¢. No.3 white corn Kansas City 72¢; No.3 white oats Chicago 46¢; Minneapolis 44¢; Kansas City 47¢.

Average price of Middling spot cotton in 10 designated markets declined 9 points, closing at 13.36¢ per lb. March future contracts on the New York Cotton Exchange declined 11 points, closing at 13.67¢. (Report from New Orleans not received.) (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Feb. 14.	Feb. 13,	Feb. 14, 1926
20 Industrials	157.56	156.05	162.08
20 R.R. stocks	124.35	124.80	111.46

(Wall St. Jour., Feb. 14.)

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Vol. XXIV, No. 39 Section 1 February 16, 1927.

THE MCNARY-HAUGEN BILL The Associated Press to-day reports: "The McNary-Haugen farm bill as passed by the Senate was substituted by the House yesterday for a similar measure it had been considering. The vote to substitute was 201 to 62. Shortly thereafter general debate on farm relief was concluded and the enacting clause of the Senate measure read. This brought the bill to a point where amendments are in order. The House then adjourned, leaders agreeing to postpone taking up the measure until tomorrow to make way to-day for a batch of other bills on the calendar.

"Just as discussion came to a close Representative Aswell of Louisiana announced that as soon as the McNary-Haugen bill was brought up again he would seek to strike out its declaration of policy and substitute that in his own bill. Should this motion carry, he said, he would move substitution of his measure for the McNary-Haugen bill. This motion is expected to be a full test of strength on the Aswell plan. Should it fail, the Aswell bill would be practically out of the running and the fight narrowed between the McNary-Haugen measure and the Curtis-Crisp bill.

"The vote to substitute the Senate bill was not construed by either supporters or opponents as constituting a test of strength, as a number of members supporting the motion have announced they will vote against passage of the measure. Substitution was sought by House farm leaders in the hope of passing the bill in exactly the form in which it was approved by the Senate. This would send the measure immediately to the White House and avert a possible filibuster should a conference between the two houses be necessary because of amendments. By carrying over consideration until tomorrow, House leaders were somewhat dubious if a final vote would be reached before late Friday or Saturday, depending largely on the time required to dispose of amendments...."

CORN BORER FUND The House yesterday adopted a resolution making immediately available $10,000,000 recently authorized for the eradication of the European corn borer, according to the press to-day.

MUSCLE SHOALS Authority to create a joint congressional commission to study the Muscle Shoals project and present a plan of operation "in accordance with the purpose to which it was dedicated, manufacture of fertilizer," was proposed in a resolution by Chairman McNary of the Senate agriculture committee yesterday, according to the press to-day.

THE RADIO BILL The radio control bill, already accepted by the House, will be brought before the Senate to-day after the vote on the branch banking bill. Action within two days or less is predicted by leaders on both sides. A petition for cloture has been prepared and will be used if necessary.(Press, Feb.16.)

Section 2

"Better Mutton" The Breeder's Gazette for February 3 says: "This baby beef and baby lamb business is all right in its place, and that just now is a big place in the meat trade....The following letter from David M. Fyffe of the Ohio State University says: 'I want to thank you for starting this campaign for better beef, and continuing the campaign in the aid of the producer who brings to hand the fattened 2-year-old. I also wish you would try your hand on the yearling wether for mutton, as we are all the time hearing about lamb.'.... Why not a 'Better Mutton' Association?...."

Celery Growers Seek Tariff Increase A Middletown, N.Y., dispatch to the press of February 15 says: "Because the black dirt celery growers of Orange County, in which a vast amount of the crop is produced, are handicapped by importations from Bermuda, they are endeavoring to have the celery tariff increased. Representative Hamilton Fish, jr. has started to secure the increase and the growers declare they are ready to submit figures. An increased tariff on onions is also contemplated and the data are ready to be submitted to President Coolidge."

Farming Evolution An editorial in The Farm and Ranch for January 29 says: "....The farming industry has undergone many changes during the past two or three decades. It is predicted that the changes in the future will be more marked. The inventive genius of man is creating labor-saving machinery that is making farming more attractive to capital and to men who are schooled in the application of business rules and principles....Mainly, there will be two kinds of farms in the future, with, of course, some in-betweens with occupants just getting by. There will be the large farm fully capitalized and completely equipped for production on a large scale at the lowest possible cost. There will be the small farm, probably within a reasonable distance of the cities, manned by farmers who know the value of intensive cultivation and who, in addition, are competent salesmen and trained specialists. Such farms will be as completely equipped for the purpose for which they are operated as the large farms. And right here will be found the solution of the present bothersome tenant problem. The landless man who does not locate in the cities will find profitable occupation on the farms, not as renters but as laborers. Many of them, no doubt, will become skilled in some line of production and become owners. Others will spend their days working on one farm or another as they do now in drifting from one farm to another making an effort to produce a little cotton each year in order to keep soul and body together..."

Industry and Agriculture An editorial in The Southern Cultivator and Farming for February 1 says: "A good close-by market for farm products makes for the most prosperous agriculture. The presence of industries in any region provides these best near-by markets. Therefore, it follows that farming must look to near-by industry for greatest success, and that the work of promoting industry in agricultural regions is a business of very great importance to farmers. The progress in industrial development which has been made in recent years was due to large investments in enterprises established and managed by business people. If this development is to be continued in a way to enable us to profit as we should from the utilization

of our resources, aid from capital must be sought, and encouragement and support given in every way that will make investments profitable, not only to investors, but to the whole people, who share the benefits which industrial progress creates...."

McNary-Haugen Bill

An editorial in The Wall Street Journal for February 14 says: "Inclusion of cotton in the six 'basic commodities' named in the McNary-Haugen bill as coming within its provisions has led to a showing up of its absurdities and to a disclosure of the charlatanism that lies behind the bill. Political jockeying is taking place in congressional conferences. Proposals are made by proponents of the measure to work out an amendment as a concession to members from the South, who are skeptical over the benefits of the plan contained in the bill. According to these proposals, the hocus-pocus equalization fee would be abandoned entirely as to cotton, or would be deferred for two years, or would be collected from domestic spinners and from exporters, instead of from the growers; or the bill would provide simply for a Government 'loan fund' to take surplus cotton off the market. If Congress does send it to the President, it will do so through the votes of Senators and Representatives who know that they are perpetrating a gigantic hoax on the farmers. Legislation to control the prices of commodities without controlling their production is as futile as attempting to legislate that two and two are anything else but four. In the McNary-Haugen bill a limit has been reached in vagueness, fantasy, irrationality, and downright humbuggery and hypocrisy....The bill is a serious menace to the general prosperity of the country. It has in it the threat of disruption to trade channels and markets, with all the losses that such disruption entails. As to cotton, it would more than offset the acreage reduction campaign in which many true friends of the South have labored for months. Buoyed up by the false assumption that the Government can and will guarantee cost of production, farmers would expand their cotton acreage to the utmost; such an expansion, on top of an already over-expanded area will spell economic ruin to the cotton farmers and to the South. Taking a considerable quantity of cotton off the market, whether it is done by a fund made up of 'equalization' fees or by money taken from the Government Treasury, will raise the price of cotton. Every one knows that. But in the absence of curtailed production, by what legerdemain can that cotton be again put on the market without depressing the price? The price of cotton is a world-wide one, more so than that of any other commodity named in the bill...."

New York Milk Source

An Albany, N.Y., dispatch to the press of February 15 says: "Further testimony regarding milk production and distribution in the New York City milkshed was heard February 14 by the Producers' Committee, which is to endeavor to formulate a plan for unifying the activities of dairymen. The committee is seeking to establish fundamental principles in the cooperative marketing of milk and develop unification which will insure to the consumer a more satisfactory and dependable source of supply. Efforts to reach an agreement among the five leading producers' marketing groups have been in progress for some time...."

Production An editorial in The Nebraska Farmer for February 12 says: "S.A.Larson of Merrick County states with justifiable pride that he planted and cultivated 142 acres of corn last year. He cultivated his crop three times. Commenting on this, he says: 'In order to make farming pay, I find one must treble his acreage.' On the other hand, several eastern Nebraska farmers secured average yields of 75 bushels of corn per acre last year, the general average for that region being 26 bushels per acre. In order to do this, they rotated their crops, grew legumes and farmed intensively. Thus we have the two alternatives of more economical per unit production. The question is, which is better--more acres or more bushels?...."

Section 3

MARKET QUOTATIONS

Farm Products Feb. 15: Chicago hog prices closed at $12 for the top, beef steers, choice $11.50 to $13.10; heifers, good and choice, $7 to $10.75; cows, good and choice $6.25 to $7.75; low cutter and cutter $4.25 to $5; vealers, medium to choice $10 to $15, heavy calves, medium to choice, $6.50 to $9; stocker and feeder steers, common to choice $6.25 to $9; fat lambs, medium to choice $11.75 to $13.50; yearling wethers, medium to choice $9.50 to $12; fat ewes, common to choice, $6.75 to $8.75; feeding lambs, medium to choice $11.75 to $13.25.

Maine sacked Green Mountain potatoes closed at range of $2.50 to $2.85 per 100 pounds in eastern cities; bulk stock mostly $2 f.o.b. Presque Isle, Maine. New York Danish type cabbage $18 to $23 bulk per ton in terminal markets; $10 to $11 f.o.b. Rochester. Florida pointed type $1 to $1.60 per 1 1/2 bushel hamper. Texas domestic type $1.50 to $3 per barrel crate. New York and midwestern yellow onions sold mostly around $2.50 to $2.90 sacked per 100 pounds in consuming centers. New York Baldwin apples ranged $3 to $3.50 per barrel in eastern cities; Rhode Island Greenings $3.50 to $4 in New York City and $4 f.o.b. Rochester.

Grain prices quoted February 15: No.1 dark northern Minneapolis $1.38 to $1.46. No.2 red winter Chicago $1.34. No.3 yellow corn Chicago 73¢; Minneapolis 73¢; No.3 white oats Chicago 44¢; Minneapolis 43¢.

Average price of Middling spot cotton in 10 designated markets advanced 17 points, closing at 13.53¢ per lb. March future contracts on the New York Cotton Exchange advanced 21 points, closing at 13.88¢, and on the New Orleans Cotton Exchange they advanced 23 points, closing at 13.91¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 15,	Feb. 14,	Feb. 15, 1926
	20 Industrials	157.61	157.56	158.30
	20 R.R. stocks	125.71	124.85	109.58

(Wall St. Jour., Feb. 16.)

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DAILY DIGEST

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Vol. XXIV, No. 40 Section 1 February 17,1927

CORN BORER FUND The appropriation of $10,000,000 for the eradication of the European corn borer was voted yesterday by the Senate, and the resolution now goes to the President, according to the press to-day.

THE FARM BILL The Baltimore Sun to-day, in a review of farm relief legislation, says:"...As the situation now stands, the McNary bill is on the Presidential doorstep. It is expected to pass the House by at least fifty votes unless the unexpected happens. That it will not be a welcome visitor goes without saying....and that the President will refuse to approve the bill is regarded as practically certain. To-day the real test of strength will begin. The first effort will be to replace the McNary bill with the Aswell bill. This is assured of defeat, although the Aswell bill will get votes that later will go to the McNary bill. The next step will be to replace the McNary measure with the Curtis-Crisp bill. This, too, probably will be voted down. Then the McNary bill formally will be before the House. The final vote is expected next week. A flood of amendments will be offered, but supporters of the measure will not accept any of them in order to prevent the bill being sent to conference."

MCFADDEN BANKING BILL PASSED The press to-day reports: "The passage of the Pepper-McFadden branch banking bill and the inauguration of an investigation into the report that a $100,000 lobby had sought to influence the legislation marked the close yesterday in the Senate of the stormy scenes that have attended the course of this piece of financial legislation through Congress. The Senate, by a vote of 71 to 17, sent to President Coolidge the measure which sets up new standards of branch banking and extends the charter of the Federal Reserve Board indefinitely. The application of cloture limited the closing debate to attacks of the opponents, acknowledged futile, but continued to the very last....

"The McFadden branch banking bill amends an act passed November 7, 1918, providing for consolidation of national banking associations to permit national banks to engage in branch banking...."

THE RADIO BILL The press to-day states that, with opposition apparently flattened out, the conference report on radio control legislation was made the unfinished business of the Senate yesterday without debate. Senator Pittman,who has led a fight to send the legislation back to conference, declared he had no intention to obstruct this or other bills. Final action on the conference report is expected by Friday.

Section 2

British Beet Sugar Industry

In an editorial review of the British beet sugar industry, Facts About Sugar for February 12 says: ".....In March, 1925, the subsidy act became law, placing a bounty of 19 shillings and 6 pence per cwt. on home grown sugar of 98 degree test or higher. In addition to the bounty this sugar received the benefit of the tariff preference of 1 shilling 11 pence per cwt. extended to Empire sugar, giving it a total advantage of 1 pound, 1 shilling and 5 pence over full duty paying imported sugar....While the bounty was made to apply to sugar produced during the season preceding its adoption only three factories were in a position to take advantage of this provision. By the fall of 1925, however, ten factories had been erected and during the ensuing campaign 56,000 tons of sugar were produced from the 54,000 acres planted to sugar beet. In the 1926-27 season the acreage increased to 125,000 and the outturn of sugar to 142,000 tons, while it is estimated that in the coming season 174,000 acres will be sown to beets, which should bring production up to 200,000 tons. One of the requirements of the subsidy law was that a liberal price should be paid to farmers for their beets and during the past season the factories, except those making their initial runs, have paid 52 shillings a ton for topped and washed beets with premiums for high sucrose which brought the payments in many cases up to 55 or 56 shillings. Even at these high prices the subsidy nearly equaled the cost of the beets. The factories, therefore, have not had to worry especially about the selling price of their sugar as they were assured of profits if able to operate at anything like a reasonable cost. The subsidy, however, has but one year more to run at its present level. At the end of that time it will be reduced approximately one-third. After three more years it will be lowered another third and after ten years it will expire altogether. The real test of the British beet sugar industry will come then. Will the factories be able to maintain themselves on the close margins inevitable under competitive conditions? Will the farmers be willing to accept prices more in accordance with those paid in other countries?...It is noteworthy, however, that steady progress has been made in increasing the sucrose content of the beets grown in the United Kingdom....This is the sort of progress that should reduce costs...."

"Factory-izing" the Farm

Sam R. McKelvie writes in The Nebraska Farmer for February 12 under the title "Can the Farm be Factory-ized?". He says in part: "The first and most important step toward bringing agriculture into line with industry is to factory-ize the farm. This means greater efficiency of production and distribution plus the control of output....Mass production--that is, maximum production per unit--is the shibboleth of industry..It has wrought wonders, enabling unusual profits to factory owners and the highest scale of wages labor ever has known. The more efficient and general use of machinery and electricity have made it possible. Mass production on the farm is not a fanciful dream; it is a fact, demonstrated daily by farmers in every line of endeavor....If the consumption of agricultural products will not keep pace with the increase in population as indicated by the figures of the Industrial Conference Board, the question of recurring surpluses is a most serious one. It may not be possible or practical to increase consumption in the ratio that mining and manufacturing have done, but certainly it is possible to create a far

greater demand for agricultural products than thus far has been done. Present day competition is not confined to industries or classes. It is omnipresent among industries and classes, thus the industry that puts forth the greatest sales effort secures the bulk of the trade. That, in part, is what agriculture must do. The question can not be abandoned here, for mass production and more efficient distribution have not been wholly determining in factory success. A third element--and a very effective one--has been brought to bear. The factory limits its output to prospective demand. This is facilitated through the control of labor. When the shorter day was proposed by labor, the factory made a mighty wail; but now it is this shorter day--and fewer days if necessary--with better pay, that has enabled the factory owned to keep his labor contented, and enables that labor to live prosperously...."

Jewish Farmers Press of February 13 states that according to the Jewish Agricultural Society report for 1926, there were ten times as many applications for farms made to the organization as could be accommodated. To be exact, there were 885 applications received from people who wished to till the soil or raise stock, and only eighty of them achieved the opportunity. Chief among the reasons given for the failure of more than 90 per cent of these applicants was that modern farming is beyond the reach of men without means. As stated in the report, the average cost per farm, exclusive of stock and equipment, was $6,570, and the average capital possessed per family settled in 1926 by the society was $3,554, while the average down-payment per farm was $2,440.

McNary-Haugen Bill 1 An editorial in The Wall Street Journal for February 15 says: "There are such grave doubts of the constitutionality of the McNary bill that it seems a cruel mockery to hand the farmers this measure in the name of 'farm relief.' Even if it passed the House and was permitted by the President to become a law it would have to stand a test before the Supreme Court with but little chance of being upheld. This bill provides for a Federal Farm Board of twelve members, one from each of the twelve Federal Land Bank districts. This board is charged with the duty of carrying out the provisions of the proposed law. Its status can be compared to that of the Federal Reserve Board or the Interstate Commerce Commission. The members are to be 'Appointed by the President of the United States by and with the advice and consent of the Senate, from lists of eligibles submitted by the nominating committee for the district as hereinafter in this section provided.' The same section then provides for a nominating committee in each of the land bank districts of five members each. Four members of each committee are to be elected by farm organizations and cooperative associations. These committees are to select lists of eligibles for appointment to the Federal Farm Board and the President is limited to those lists in making his selections. This is plainly in violation of the constitutional power of the President in making appointments....What is an 'inferior' officer is not defined by the Constitution. Obviously an inferior officer is one subordinate to others in the department in whom is vested appointive power. Congress has never attempted to regulate the appointment of any officer not distinctly inferior, so the question has not been passed upon by the court. But now it is attempting to regulate the

appointment of members of a great commission in whose hands are to be vested tremendous powers. This is sure to call for a judicial decision. Then there is the matter of nomination. This is a distinct act from appointing. In the President alone is the power of nomination, and his hands are entirely free, according to the Constitution. Nominating is to be a purely voluntary act. The McNary bill proposes to tie his choice to a list of names selected and handed to him with the assurance that he must make his choice from the list. This is not a voluntary choice, and therefore is not constitutional. Why give the farmers a measure that can not stand?"

McNary-Haugen Bill 2

An editorial in The New York Times of February 16 says:"The equalization fee in the McNary-Haugen bill is an attempt to get around the Constitution, by making the fee an incident of the regulation of interstate commerce. To get around the farmer, the fee, as Senator George says, 'is so far removed from the farmer as to leave him under the impression that the consumer is paying it.' In the effort to create this impression, the proposed Federal Farm Board is to determine whether the one fee shall be collected on transportation, processing or sale. Every loss on every basic commodity is to be assessed pro rata on every unit of it. Secretary Mellon has made an exceedingly modest estimate of the cost of administering the provisions of the bill without collecting the fee. He makes it only $790,000 a year; but the amount of 'basic' stuff has been enlarged since his calculations were made. It is impossible to compute the heaven-hitting pile of reports, returns, examinations, investigations, protests, re-examinations, re-investigations, bad debts and holes in the revolving fund that would result. Taking five basic commodities, as produced in 1925, the Farm Board would have to do business with more than 16,000,000 units. What an ever-growing paradise of bureaucracy! The army of accountants, technicians, legal experts, the whole business of filing returns and collecting fees, Mr.Mellon prudently refrains from estimating the cost of. The sources of sale are so innumerable that collection from them is impracticable unless the Government depends absolutely upon the honesty of each vendor; and collection from the two other means would be just about as hard... 'The collection of the equalization fee will be difficult,' says Mr. Mellon, not perhaps suspecting the full enormity of his irony. What of it? The more difficult it is, the sooner the revolving fund of $250,000,000 will be dissolved."

Milk Adulteration in New York

An Albany dispatch to the press of February 16 says: "The 'homogenizer' and a new method of adulterating milk were described at a hearing February 15 before Commissioner Berne Pyrke, head of the department of agriculture and markets, on charges against the Middle States Milk and Cream Company, Inc., revocation of whose milk-gathering license is being sought by the department, following an investigation into its practices. The Middle States Milk and Cream Company, Inc., is a subsidiary of the Smith Brothers Milk and Cream Company, Inc., whose milk-gathering license has been revoked and whose right to distribute milk in New York City has been canceled by the city health suthorities. According to testimony given at the hearing by Kenneth F. Fee, director of the dairy and farm bureau of the department, adulteration of milk had become so highly developed a branch of the Middle States Company's activities that the 'homogenizer' had to be brought into play in order to enable the company

to operate in this direction on a scale of magnitude. Mr. Fee explained that the 'homogenizer' was a mechanical appliance used to break up the globules of fat in condensed milk, which was dumped into the machine with skimmed milk and water. The output of the 'homogenizer' has been called 'reconstituted milk.'...."

Section 3
MARKET QUOTATIONS

Farm Products

February 16: Chicago hog prices closed at $12.15 for the top, beef steers range from steady to 50¢ higher with heifers and cows steady to 25¢ lower. Vealers are steady to 50¢ higher, heavy calves steady and stocker and feeder steers steady to 50¢ up. Fat lambs steady to 10¢ higher, yearling wethers steady to 15¢ and fat ewes steady to 25¢ higher.

Maine sacked Green Mountain potatoes mostly $2.60 to $2.85 per 100 pounds in eastern markets; bulk stock mostly $2 f.o.b. Presque Isle. Wisconsin sacked Round Whites $1.90 to $2.10 carlot sales in Chicago; $1.65 to $1.80 f.o.b. Waupaca. New York Rhode Island Greening apples ranged $3.50 to $4.75 per barrel in city markets; mostly $4 f.o.b. Rochester. New York Baldwin apples $3 to $4.25. Michigan Jonathans $5 to $5.75 in Chicago. New York Danish type cabbage sold at $12 to $23 bulk per ton in terminal markets; $10 to $11 f.o.b. Rochester. Midwestern yellow onions $2.25 to $2.90 per 100 pounds in consuming centers; $2.60 f.o.b. West Michigan.

Grain prices quoted February 16: No.1 dark northern Minneapolis $1.39 to $1.47. No.2 red winter Chicago $1.34. No.2 hard winter Chicago $1.39. No.3 yellow corn Chicago 72¢; Minneapolis 73¢; No.3 white oats Chicago 44¢; Minneapolis 44¢.

Closing prices on 92 score butter: New York 52¢; Chicago 50 1/2¢; Philadelphia 52 1/2¢; Boston 52¢.

Average price of Middling spot cotton in 10 designated markets declined 9 points, closing at 13.44¢ per lb. March future contracts on the New York Cotton Exchange declined 11 points, closing at 13.77¢, and on the New Orleans Cotton Exchange they declined 13 points, closing at 13.78¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb.16,	Feb. 15,	Feb. 16, 1926
20 Industrials	157.41	157.61	158.88
20 R.R. stocks	126.71	125.71	110.23

(Wall St. Jour., Feb. 17.)

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